

1.1 A bill for an act

1.2 relating to commerce; eliminating the Prescription Drug Affordability Advisory

1.3 Council; modifying various provisions governing nondepository financial

1.4 institutions; providing for health plan regulatory alignment; transferring duties

1.5 and employees; modifying the premium security plan; appropriating money and

1.6 making reductions; requiring reports; amending Minnesota Statutes 2024, sections

1.7 47.20, subdivision 1; 47.59, subdivision 1; 47.60, subdivision 1; 53.04, subdivision

1.8 3a; 53B.74; 53C.09, subdivision 4; 56.002; 56.01; 56.05; 58.06, subdivision 2;

1.9 58B.051; 60A.50, subdivisions 1, 3; 60A.951, subdivision 3; 60A.985, subdivision

1.10 8; 60A.9853, subdivision 1; 60A.9854; 60B.03, subdivision 2; 60G.01, subdivisions

1.11 2, 4; 62A.02, subdivision 8; 62A.021, subdivision 1; 62A.61; 62A.65, subdivisions

1.12 7, 8; 62D.08, subdivisions 1, 2, 3, 7, by adding a subdivision; 62D.12, subdivision

1.13 1; 62D.124, subdivision 5; 62D.221, subdivisions 1, 2; 62E.11, subdivisions 9,

1.14 13; 62E.23, subdivision 1; 62J.40; 62J.60, subdivision 5; 62J.89, subdivisions 1,

1.15 2; 62J.90, subdivision 2; 62K.07, subdivision 2; 62L.02, subdivision 8; 62L.08,

1.16 subdivision 11; 62L.09, subdivision 3; 62L.10, subdivision 4; 62L.11, subdivision

1.17 2; 62M.11; 62Q.01, subdivision 2; 62Q.106; 62Q.188, subdivision 2; 62Q.37,

1.18 subdivision 2; 62Q.47; 62Q.51, subdivision 3; 62Q.556, subdivisions 3, 4; 62Q.69,

1.19 subdivisions 2, 3; 62Q.71; 62Q.73, subdivisions 3, 10; 62Q.81, subdivision 7;

1.20 62U.04, subdivision 13; 62W.06, by adding a subdivision; 332.52, subdivision 3;

1.21 332A.04, subdivision 1; 332B.04, subdivision 1; Minnesota Statutes 2025

1.22 Supplement, sections 62D.21; 62D.211; 62E.23, subdivisions 1a, 2; 297I.20,

1.23 subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 60A;

1.24 62D; repealing Minnesota Statutes 2024, sections 56.08; 62J.86, subdivision 2;

1.25 62J.88; 332A.02, subdivision 2; 332B.02, subdivision 2.

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

2.2 **ARTICLE 1**

2.3 **COMMERCE FINANCE**

2.4 Section 1. **HEALTH MAINTENANCE ORGANIZATIONS AND COUNTY-BASED**  
 2.5 **PURCHASERS REGULATION; APPROPRIATION.**

2.6 \$1,750,000 in fiscal year 2027 is appropriated from the general fund to the commissioner  
 2.7 of commerce to regulate health maintenance organizations and county-based purchasers.

2.8 Sec. 2. **APPROPRIATION REDUCTION.**

2.9 The commissioner of management and budget must reduce the Department of Health's  
 2.10 fiscal year 2027 general fund appropriation by \$1,750,000 and must reduce the Department  
 2.11 of Health's fiscal year 2027 state government special revenue fund appropriation by  
 2.12 \$1,836,000 to account for the transfer of health maintenance organization and county-based  
 2.13 purchaser regulatory responsibilities to the commissioner of commerce. These reductions  
 2.14 are ongoing.

2.15 **ARTICLE 2**

2.16 **PRESCRIPTION DRUG AFFORDABILITY ADVISORY COUNCIL**

2.17 Section 1. Minnesota Statutes 2024, section 62J.89, subdivision 1, is amended to read:

2.18 Subdivision 1. **Definition.** For purposes of this section, "conflict of interest" means a  
 2.19 financial or personal association that has the potential to bias or have the appearance of  
 2.20 biasing a person's decisions in matters related to the board, ~~the advisory council,~~ or in the  
 2.21 conduct of the board's ~~or council's~~ activities. A conflict of interest includes any instance in  
 2.22 which a person, a person's immediate family member, including a spouse, parent, child, or  
 2.23 other legal dependent, or an in-law of any of the preceding individuals, has received or  
 2.24 could receive a direct or indirect financial benefit of any amount deriving from the result  
 2.25 or findings of a decision or determination of the board. For purposes of this section, a  
 2.26 financial benefit includes honoraria, fees, stock, the value of the member's, immediate family  
 2.27 member's, or in-law's stock holdings, and any direct financial benefit deriving from the  
 2.28 finding of a review conducted under sections 62J.85 to 62J.95. Ownership of securities is  
 2.29 not a conflict of interest if the securities are: (1) part of a diversified mutual or exchange  
 2.30 traded fund; or (2) in a tax-deferred or tax-exempt retirement account that is administered  
 2.31 by an independent trustee.

3.1 Sec. 2. Minnesota Statutes 2024, section 62J.89, subdivision 2, is amended to read:

3.2 Subd. 2. **General.** (a) Prior to the acceptance of an appointment or employment, or prior  
3.3 to entering into a contractual agreement, a board ~~or advisory council~~ member, board staff  
3.4 member, or third-party contractor must disclose to the appointing authority or the board  
3.5 any conflicts of interest. The information disclosed must include the type, nature, and  
3.6 magnitude of the interests involved.

3.7 (b) A board member, board staff member, or third-party contractor with a conflict of  
3.8 interest with regard to any prescription drug product under review must recuse themselves  
3.9 from any discussion, review, decision, or determination made by the board relating to the  
3.10 prescription drug product.

3.11 (c) Any conflict of interest must be disclosed in advance of the first meeting after the  
3.12 conflict is identified or within five days after the conflict is identified, whichever is earlier.

3.13 Sec. 3. Minnesota Statutes 2024, section 62J.90, subdivision 2, is amended to read:

3.14 Subd. 2. **Identification of certain prescription drug products.** (a) The board, ~~in~~  
3.15 ~~consultation with the advisory council, shall~~ must identify selected prescription drug products  
3.16 based on the following criteria:

3.17 (1) brand name drugs or biologics for which the WAC increases by more than 15 percent  
3.18 or by more than \$3,000 during any 12-month period or course of treatment if less than 12  
3.19 months, after adjusting for changes in the consumer price index (CPI);

3.20 (2) brand name drugs or biologics with a WAC of \$60,000 or more per calendar year  
3.21 or per course of treatment;

3.22 (3) biosimilar drugs that have a WAC that is not at least 20 percent lower than the  
3.23 referenced brand name biologic at the time the biosimilar is introduced; and

3.24 (4) generic drugs for which the WAC:

3.25 (i) is \$100 or more, after adjusting for changes in the CPI, for:

3.26 (A) a 30-day supply;

3.27 (B) a course of treatment lasting less than 30 days; or

3.28 (C) one unit of the drug, if the labeling approved by the Food and Drug Administration  
3.29 does not recommend a finite dosage; and

4.1 (ii) increased by 200 percent or more during the immediate preceding 12-month period,  
 4.2 as determined by the difference between the resulting WAC and the average WAC reported  
 4.3 over the preceding 12 months, after adjusting for changes in the CPI.

4.4 The board is not required to identify all prescription drug products that meet the criteria in  
 4.5 this paragraph.

4.6 (b) The board, in consultation with ~~the advisory council~~ and the commissioner of health,  
 4.7 may identify prescription drug products not described in paragraph (a) that may impose  
 4.8 costs that create significant affordability challenges for the state health care system or for  
 4.9 patients, including but not limited to drugs to address public health emergencies.

4.10 (c) The board shall make available to the public the names and related price information  
 4.11 of the prescription drug products identified under this subdivision, with the exception of  
 4.12 information determined by the board to be proprietary under the standards developed by  
 4.13 the board under section 62J.91, subdivision 3, and information provided by the commissioner  
 4.14 of health classified as not public data under section 13.02, subdivision 8a, or as trade secret  
 4.15 information under section 13.37, subdivision 1, paragraph (b), or as trade secret information  
 4.16 under the Defend Trade Secrets Act of 2016, United States Code, title 18, section 1836, as  
 4.17 amended.

4.18 **Sec. 4. REPEALER.**

4.19 Minnesota Statutes 2024, sections 62J.86, subdivision 2; and 62J.88, are repealed.

4.20 **ARTICLE 3**  
 4.21 **NON-DEPOSITORY INSTITUTIONS**

4.22 Section 1. Minnesota Statutes 2024, section 47.20, subdivision 1, is amended to read:

4.23 Subdivision 1. **General authority.** Pursuant to rules the commissioner of commerce  
 4.24 finds to be necessary and proper, if any, banks, savings banks, and savings associations  
 4.25 organized under the laws of this state or the United States, trust companies, trust companies  
 4.26 acting as fiduciaries, and other banking institutions subject to the supervision of the  
 4.27 commissioner of commerce, including residential mortgage originators and servicers under  
 4.28 chapter 58, and mortgagees or lenders approved or certified by the secretary of housing and  
 4.29 urban development or approved or certified by the administrator of veterans affairs, or  
 4.30 approved or certified by the administrator of the Farmers Home Administration or any  
 4.31 successor, or approved or certified by the Federal Home Loan Mortgage Corporation, or  
 4.32 approved or certified by the Federal National Mortgage Association, are authorized:

5.1 (1) to make loans and advances of credit and purchases of obligations representing loans  
5.2 and advances of credit which are insured or guaranteed by the secretary of housing and  
5.3 urban development pursuant to the National Housing Act, as amended, or the administrator  
5.4 of veterans affairs pursuant to the Servicemen's Readjustment Act of 1944, as amended, or  
5.5 the administrator of the Farmers Home Administration or any successor pursuant to the  
5.6 Consolidated Farm and Rural Development Act, Public Law 87-128, as amended, and to  
5.7 obtain the insurance or guarantees;

5.8 (2) to make loans secured by mortgages on real property and loans secured by a share  
5.9 or shares of stock or a membership certificate or certificates issued to a stockholder or  
5.10 member by a cooperative apartment corporation which the secretary of housing and urban  
5.11 development, the administrator of veterans affairs, or the administrator of the Farmers Home  
5.12 Administration or any successor has insured or guaranteed or made a commitment to insure  
5.13 or guarantee, and to obtain the insurance or guarantees;

5.14 (3) to make, purchase, or participate in such loans and advances of credit; including  
5.15 reverse mortgage loans, notwithstanding anything in subdivision 4b, sections 47.58 and  
5.16 334.01, and chapter 56 or 58 to the contrary; as would be eligible for purchase, in whole or  
5.17 in part, by the Federal National Mortgage Association or the Federal Home Loan Mortgage  
5.18 Corporation, but without regard to any limitation placed upon the maximum principal amount  
5.19 of an eligible loan; and

5.20 (4) to make, purchase or participate in such loans and advances of credit secured by  
5.21 mortgages on real property which are authorized or allowed by the Office of Thrift  
5.22 Supervision or the Office of the Comptroller of the Currency, or any successor to these  
5.23 federal agencies.

5.24 Sec. 2. Minnesota Statutes 2024, section 47.59, subdivision 1, is amended to read:

5.25 Subdivision 1. **Definitions.** For purposes of this section, the following definitions shall  
5.26 apply.

5.27 (a) "Actuarial method" has the meaning given the term in Code of Federal Regulations,  
5.28 title 12, part 226, and appendix J thereto.

5.29 (b) "Annual percentage rate" has the meaning given the term in Code of Federal  
5.30 Regulations, title 12, part 226, but using the definition of "finance charge" used in this  
5.31 section.

5.32 (c) "Borrower" means a debtor under a loan or a purchaser or debtor under a credit sale  
5.33 contract.

6.1 (d) "Business purpose" means a purpose other than a personal, family, household, or  
6.2 agricultural purpose.

6.3 (e) "Cardholder" means a person to whom a credit card is issued or who has agreed with  
6.4 the financial institution to pay obligations arising from the issuance to or use of the card by  
6.5 another person.

6.6 (f) "Consumer loan" means a loan made by a financial institution in which:

6.7 (1) the debtor is a person other than an organization;

6.8 (2) the debt is incurred primarily for a personal, family, or household purpose; and

6.9 (3) the debt is payable in installments or a finance charge is made.

6.10 (g) "Credit" means the right granted by a financial institution to a borrower to defer  
6.11 payment of a debt, to incur debt and defer its payment, or to purchase property or services  
6.12 and defer payment.

6.13 (h) "Credit card" means a card or device issued under an arrangement pursuant to which  
6.14 a financial institution gives to a cardholder the privilege of obtaining credit from the financial  
6.15 institution or other person in purchasing or leasing property or services, obtaining loans, or  
6.16 otherwise. A transaction is "pursuant to a credit card" only if credit is obtained according  
6.17 to the terms of the arrangement by transmitting information contained on the card or device  
6.18 orally, in writing, by mechanical or electronic methods, or in any other manner. A transaction  
6.19 is not "pursuant to a credit card" if the card or device is used solely in that transaction to:

6.20 (1) identify the cardholder or evidence the cardholder's creditworthiness and credit is  
6.21 not obtained according to the terms of the arrangement;

6.22 (2) obtain a guarantee of payment from the cardholder's deposit account, whether or not  
6.23 the payment results in a credit extension to the cardholder by the financial institution; or

6.24 (3) effect an immediate transfer of funds from the cardholder's deposit account by  
6.25 electronic or other means, whether or not the transfer results in a credit extension to the  
6.26 cardholder by the financial institution.

6.27 (i) "Credit sale contract" means a contract evidencing a credit sale. "Credit sale" means  
6.28 a sale of goods or services, or an interest in land, in which:

6.29 (1) credit is granted by a seller who regularly engages as a seller in credit transactions  
6.30 of the same kind; and

6.31 (2) the debt is payable in installments or a finance charge is made.

7.1 (j) "Finance charge" has the meaning given in Code of Federal Regulations, title 12, part  
7.2 226, except that the following will not in any event be considered a finance charge:

7.3 (1) a charge as a result of default or delinquency under subdivision 6 if made for actual  
7.4 unanticipated late payment, delinquency, default, or other similar occurrence, and a charge  
7.5 made for an extension or deferment under subdivision 5, unless the parties agree that these  
7.6 charges are finance charges;

7.7 (2) an additional charge under subdivision 6;

7.8 (3) a discount, if a financial institution purchases a loan at less than the face amount of  
7.9 the obligation or purchases or satisfies obligations of a cardholder pursuant to a credit card  
7.10 and the purchase or satisfaction is made at less than the face amount of the obligation;

7.11 (4) fees paid by a borrower to a broker, provided the financial institution or a person  
7.12 described in subdivision 4 does not require use of the broker to obtain credit; or

7.13 (5) a commission, expense reimbursement, or other sum received by a financial institution  
7.14 or a person described in subdivision 4 in connection with insurance described in subdivision  
7.15 6.

7.16 (k) "Financial institution" means a state or federally chartered bank, a state or federally  
7.17 chartered bank and trust, a trust company with banking powers, a state or federally chartered  
7.18 saving bank, a state or federally chartered savings association, an industrial loan and thrift  
7.19 company organized under chapter 53, a sales finance company organized under chapter  
7.20 53C, a regulated lender organized under chapter 56, a mortgage originator or servicer  
7.21 licensed under chapter 58, or an operating subsidiary of any such institution.

7.22 (l) "Loan" means:

7.23 (1) the creation of debt by the financial institution's payment of money to the borrower  
7.24 or a third person for the account of the borrower;

7.25 (2) the creation of debt pursuant to a credit card in any manner, including a cash advance  
7.26 or the financial institution's honoring a draft or similar order for the payment of money  
7.27 drawn or accepted by the borrower, paying or agreeing to pay the borrower's obligation, or  
7.28 purchasing or otherwise acquiring the borrower's obligation from the obligee or the borrower's  
7.29 assignee;

7.30 (3) the creation of debt by a cash advance to a borrower pursuant to an overdraft line of  
7.31 credit arrangement;

8.1 (4) the creation of debt by a credit to an account with the financial institution upon which  
8.2 the borrower is entitled to draw immediately;

8.3 (5) the forbearance of debt arising from a loan; and

8.4 (6) the creation of debt pursuant to open-end credit.

8.5 "Loan" does not include the forbearance of debt arising from a sale or lease, a credit  
8.6 sale contract, or an overdraft from a person's deposit account with a financial institution  
8.7 which is not pursuant to a written agreement to pay overdrafts with the right to defer  
8.8 repayment thereof.

8.9 (m) "Official fees" means:

8.10 (1) fees and charges which actually are or will be paid to public officials for determining  
8.11 the existence of or for perfecting, releasing, terminating, or satisfying a security interest or  
8.12 mortgage relating to a loan or credit sale, and any separate fees or charges which actually  
8.13 are or will be paid to public officials for recording a notice described in section 580.032,  
8.14 subdivision 1; and

8.15 (2) premiums payable for insurance in lieu of perfecting a security interest or mortgage  
8.16 otherwise required by a financial institution in connection with a loan or credit sale, if the  
8.17 premium does not exceed the fees and charges described in clause (1), which would otherwise  
8.18 be payable.

8.19 (n) "Organization" means a corporation, government, government subdivision or agency,  
8.20 trust, estate, partnership, joint venture, cooperative, limited liability company, limited  
8.21 liability partnership, or association.

8.22 (o) "Person" means a natural person or an organization.

8.23 (p) "Principal" means the total of:

8.24 (1) the amount paid to, received by, or paid or repayable for the account of, the borrower;  
8.25 and

8.26 (2) to the extent that payment is deferred:

8.27 (i) the amount actually paid or to be paid by the financial institution for additional charges  
8.28 permitted under this section; and

8.29 (ii) prepaid finance charges.

9.1 Sec. 3. Minnesota Statutes 2024, section 47.60, subdivision 1, is amended to read:

9.2 Subdivision 1. **Definitions.** For purposes of this section, the terms defined have the  
9.3 meanings given them:

9.4 (a) "Consumer small loan" is a loan transaction in which cash is advanced to a borrower  
9.5 for the borrower's own personal, family, or household purpose. A consumer small loan is  
9.6 a short-term, unsecured loan to be repaid in a single installment. The cash advance of a  
9.7 consumer small loan is equal to or less than \$350. A consumer small loan includes an  
9.8 indebtedness evidenced by but not limited to a promissory note or agreement to defer the  
9.9 presentation of a personal check for a fee.

9.10 (b) "Consumer small loan lender" is a financial institution as defined in section 47.59  
9.11 or a business entity registered with the commissioner and engaged in the business of making  
9.12 or arranging consumer small loans. For purposes of this paragraph, arranging a consumer  
9.13 small loan includes but is not limited to any substantial involvement to facilitate, market,  
9.14 generate leads for, underwrite, or collect a consumer small loan.

9.15 (c) "Annual percentage rate" means a measure of the cost of credit, expressed as a yearly  
9.16 rate, that relates the amount and timing of value received by the consumer to the amount  
9.17 and timing of payments made. Annual percentage rate includes all interest, finance charges,  
9.18 and fees. The annual percentage rate must be determined in accordance with either the  
9.19 actuarial method or the United States Rule method.

9.20 Sec. 4. Minnesota Statutes 2024, section 53.04, subdivision 3a, is amended to read:

9.21 Subd. 3a. **Loans.** (a) The right to make loans, secured or unsecured, at the rates and on  
9.22 the terms and other conditions permitted under chapters 47 and 334. Loans made under this  
9.23 authority must be in amounts in compliance with section 53.05, clause (7). A licensee making  
9.24 a loan under this chapter secured by a lien on real estate shall comply with the requirements  
9.25 of section 47.20, subdivision 8. A licensee making a loan that is a consumer small loan, as  
9.26 defined in section 47.60, subdivision 1, paragraph (a), must comply with section 47.60. A  
9.27 licensee making a loan that is a consumer short-term loan, as defined in section 47.601,  
9.28 subdivision 1, paragraph ~~(d)~~ (e), must comply with section 47.601.

9.29 (b) Loans made under this subdivision may be secured by real or personal property, or  
9.30 both. If the proceeds of a loan secured by a first lien on the borrower's primary residence  
9.31 are used to finance the purchase of the borrower's primary residence, the loan must comply  
9.32 with the provisions of section 47.20.

10.1 (c) An agency or instrumentality of the United States government or a corporation  
 10.2 otherwise created by an act of the United States Congress or a lender approved or certified  
 10.3 by the secretary of housing and urban development, or approved or certified by the  
 10.4 administrator of veterans affairs, or approved or certified by the administrator of the Farmers  
 10.5 Home Administration, or approved or certified by the Federal Home Loan Mortgage  
 10.6 Corporation, or approved or certified by the Federal National Mortgage Association, that  
 10.7 engages in the business of purchasing or taking assignments of mortgage loans and undertakes  
 10.8 direct collection of payments from or enforcement of rights against borrowers arising from  
 10.9 mortgage loans, is not required to obtain a certificate of authorization under this chapter in  
 10.10 order to purchase or take assignments of mortgage loans from persons holding a certificate  
 10.11 of authorization under this chapter.

10.12 (d) This subdivision does not authorize an industrial loan and thrift company to make  
 10.13 loans under an overdraft checking plan.

10.14 Sec. 5. Minnesota Statutes 2024, section 53B.74, is amended to read:

10.15 **53B.74 VIRTUAL CURRENCY BUSINESS ACTIVITIES; ADDITIONAL**  
 10.16 **REQUIREMENTS.**

10.17 (a) A licensee engaged in virtual currency business activities ~~may include virtual currency~~  
 10.18 ~~in the licensee's calculation of tangible net worth, by measuring the average value of the~~  
 10.19 ~~virtual currency in United States dollar equivalent over the prior six months, excluding~~  
 10.20 ~~control of virtual currency for a person entitled to the protections under section 53B.73. is~~  
 10.21 not required to subtract virtual currency from total assets in the licensee's calculation of  
 10.22 tangible net worth if:

10.23 (1) the licensee's day-to-day business includes incurring obligations to customers  
 10.24 denominated in the virtual currency;

10.25 (2) the virtual currency asset has a corresponding liability denominated in the virtual  
 10.26 currency;

10.27 (3) the virtual currency is unencumbered; and

10.28 (4) the virtual currency assets that are not subtracted from total assets are limited to the  
 10.29 virtual currency assets that have a corresponding liability denominated in the same virtual  
 10.30 currency.

10.31 (b) A licensee must maintain, for all virtual-currency business activity with or on behalf  
 10.32 of a person five years after the date of the activity, a record of:

11.1 (1) each of the licensee's transactions with or on behalf of the person, or for the licensee's  
 11.2 account in Minnesota, including:

11.3 (i) the identity of the person;

11.4 (ii) the form of the transaction;

11.5 (iii) the amount, date, and payment instructions given by the person; and

11.6 (iv) the account number, name, and United States Postal Service address of the person,  
 11.7 and, to the extent feasible, other parties to the transaction;

11.8 (2) the aggregate number of transactions and aggregate value of transactions by the  
 11.9 licensee with or on behalf of the person and for the licensee's account in this state, expressed  
 11.10 in the United States dollar equivalent of the virtual currency for the previous 12 calendar  
 11.11 months;

11.12 (3) each transaction in which the licensee exchanges one form of virtual currency for  
 11.13 money or another form of virtual currency with or on behalf of the person;

11.14 (4) a general ledger posted at least monthly that lists all of the licensee's assets, liabilities,  
 11.15 capital, income, and expenses;

11.16 (5) each business-call report the licensee is required to create or provide to the department  
 11.17 or NMLS;

11.18 (6) bank statements and bank reconciliation records for the licensee and the name,  
 11.19 account number, and United States Postal Service address of each bank the licensee uses  
 11.20 to conduct virtual-currency business activity with or on behalf of the person;

11.21 (7) a report of any dispute with the person; and

11.22 (8) a report of any virtual-currency business activity transaction with or on behalf of a  
 11.23 person which the licensee was unable to complete.

11.24 (c) A licensee must maintain records required by paragraph (b) in a form that enables  
 11.25 the commissioner to determine whether the licensee is in compliance with this chapter, any  
 11.26 court order, and law of Minnesota other than this chapter.

11.27 Sec. 6. Minnesota Statutes 2024, section 53C.09, subdivision 4, is amended to read:

11.28 Subd. 4. **Other law may apply.** In lieu of this section and sections 53C.01, subdivisions  
 11.29 2, 4, and 13; 53C.08; 53C.10; and 53C.11, a retail seller or sales finance company may  
 11.30 proceed under section 47.59 ~~relating to credit sales made by a third party~~, subdivisions 4,  
 11.31 4a, and 6. In cases where the retail seller or sales finance company proceeds under section

12.1 47.59, the remaining provisions of sections 53C.01 to 53C.14 apply notwithstanding section  
12.2 47.59.

12.3 Sec. 7. Minnesota Statutes 2024, section 56.002, is amended to read:

12.4 **56.002 APPLICATION.**

12.5 This chapter does not apply to a person doing business under and as permitted by any  
12.6 law of this state or of the United States relating to banks, savings associations, trust  
12.7 companies, licensed pawnbrokers, a residential mortgage originator or servicer licensed  
12.8 under chapter 58 that offers residential mortgage origination services or residential mortgage  
12.9 servicing, or credit unions. Notwithstanding the provisions of section 56.01, an industrial  
12.10 loan and thrift company under chapter 53 may contract for and receive the charges, including  
12.11 those in section 56.155, authorized by this chapter without being licensed pursuant to this  
12.12 chapter, but shall comply with all other provisions of this chapter when contracting for or  
12.13 receiving charges on loans regulated by this chapter.

12.14 Sec. 8. Minnesota Statutes 2024, section 56.01, is amended to read:

12.15 **56.01 NECESSITY OF LICENSE.**

12.16 (a) Except as authorized by this chapter and without first obtaining a license from the  
12.17 commissioner, no person shall engage in the business of making loans of money, credit,  
12.18 goods, or things in action, in an amount or of a value not exceeding that specified in section  
12.19 56.131, subdivision 1, and charge, contract for, or receive on the loan a greater rate of  
12.20 interest, discount, or consideration than the lender would be permitted by law to charge if  
12.21 not a licensee under this chapter. A person must obtain a license from the commissioner  
12.22 under this chapter before arranging a consumer short-term loan under section 47.601.

12.23 (b) An agency or instrumentality of the United States government or a corporation  
12.24 otherwise created by an act of the United States Congress or a lender approved or certified  
12.25 by the secretary of housing and urban development, or approved or certified by the  
12.26 administrator of veterans affairs, or approved or certified by the administrator of the Farmers  
12.27 Home Administration, or approved or certified by the Federal Home Loan Mortgage  
12.28 Corporation, or approved or certified by the Federal National Mortgage Association, that  
12.29 engages in the business of purchasing or taking assignments of mortgage loans and undertakes  
12.30 direct collection of payments from or enforcement of rights against borrowers arising from  
12.31 mortgage loans, is not required to be licensed under this chapter in order to purchase or take  
12.32 assignments of mortgage loans from licensees under this chapter.

13.1 Sec. 9. Minnesota Statutes 2024, section 56.05, is amended to read:

13.2 **56.05 LICENSE; TO BE POSTED.**

13.3 (a) The license shall state the address at which the business is to be conducted and shall  
 13.4 state fully the name of the licensee, and if the licensee is a copartnership or association, the  
 13.5 names of the members thereof, and if a corporation, the date and place of its incorporation.

13.6 (b) The license shall be kept conspicuously posted in the place of business of the licensee,  
 13.7 and shall not be transferable or assignable. For a licensee that offers service via the Internet,  
 13.8 the license number must be clearly displayed on each web page or other document required  
 13.9 by an order issued by the commissioner.

13.10 Sec. 10. Minnesota Statutes 2024, section 58.06, subdivision 2, is amended to read:

13.11 Subd. 2. **Application contents.** (a) The application must contain the name and complete  
 13.12 business address or addresses of the license applicant. The license applicant must be a  
 13.13 partnership, limited liability partnership, association, limited liability company, corporation,  
 13.14 or other form of business organization, and the application must contain the names and  
 13.15 complete business addresses of each partner, member, director, and principal officer. The  
 13.16 application must also include a description of the activities of the license applicant, in the  
 13.17 detail and for the periods the commissioner may require.

13.18 (b) ~~A residential mortgage originator~~ An applicant must submit a surety bond that meets  
 13.19 the requirements of section 58.08, subdivision 1a.

13.20 (c) The application must also include all of the following:

13.21 (1) an affirmation under oath that the applicant:

13.22 (i) is in compliance with the requirements of section 58.125;

13.23 (ii) will advise the commissioner of any material changes to the information submitted  
 13.24 in the most recent application within ten days of the change;

13.25 (iii) will advise the commissioner in writing immediately of any bankruptcy petitions  
 13.26 filed against or by the applicant or licensee;

13.27 (iv) will maintain at all times a surety bond in the amount of at least ~~\$100,000~~ \$125,000;

13.28 (v) complies with federal and state tax laws; and

13.29 (vi) complies with sections 345.31 to 345.60, the Minnesota unclaimed property law;

13.30 (2) information as to the mortgage lending, servicing, or brokering experience of the  
 13.31 applicant and persons in control of the applicant;

14.1 (3) information as to criminal convictions, excluding traffic violations, of persons in  
14.2 control of the license applicant;

14.3 (4) whether a court of competent jurisdiction has found that the applicant or persons in  
14.4 control of the applicant have engaged in conduct evidencing gross negligence, fraud,  
14.5 misrepresentation, or deceit in performing an act for which a license is required under this  
14.6 chapter;

14.7 (5) whether the applicant or persons in control of the applicant have been the subject of:  
14.8 an order of suspension or revocation, cease and desist order, or injunctive order, or order  
14.9 barring involvement in an industry or profession issued by this or another state or federal  
14.10 regulatory agency or by the Secretary of Housing and Urban Development within the ten-year  
14.11 period immediately preceding submission of the application; and

14.12 (6) other information required by the commissioner.

14.13 Sec. 11. Minnesota Statutes 2024, section 58B.051, is amended to read:

14.14 **58B.051 REGISTRATION FOR LENDERS.**

14.15 (a) Beginning January 1, 2025, a lender must register with the commissioner as a lender  
14.16 before providing services in Minnesota. A lender must not offer or make a student loan to  
14.17 a resident of Minnesota without first registering with the commissioner as provided in this  
14.18 section.

14.19 (b) A registration application must include:

14.20 (1) the lender's name;

14.21 (2) the lender's address;

14.22 (3) the names of all officers, directors, owners, or other persons in control of an applicant,  
14.23 as defined in section 58B.02, subdivision 6; and

14.24 (4) any other information the commissioner requires ~~by rule~~.

14.25 (c) Registration issued or renewed expires December 31 of each year. A lender must  
14.26 renew the lender's registration on an annual basis.

14.27 (d) The commissioner may adopt and enforce:

14.28 (1) registration procedures for lenders, which may include using the Nationwide  
14.29 Multistate Licensing System and Registry;

14.30 (2) nonrefundable registration fees for lenders, which may include fees for using the  
14.31 Nationwide Multistate Licensing System and Registry, to be paid directly by the lender;

15.1 (3) procedures and nonrefundable fees to renew a lender's registration, which may include  
 15.2 fees for the renewed use of Nationwide Multistate Licensing System and Registry, to be  
 15.3 paid directly by the lender; and

15.4 (4) alternate registration procedures and nonrefundable fees for postsecondary education  
 15.5 institutions that offer student loans.

15.6 Sec. 12. Minnesota Statutes 2024, section 332.52, subdivision 3, is amended to read:

15.7 Subd. 3. **Credit services organization.** (a) "Credit services organization" means any  
 15.8 person that, with respect to the extension of credit by others, sells, provides, performs, or  
 15.9 represents that the person will sell, provide, or perform, in return for the payment of money  
 15.10 or other valuable consideration, any of the following services:

15.11 (1) improve a buyer's credit record, history, or rating;

15.12 (2) obtain an extension of credit for a buyer; or

15.13 (3) provide advice or assistance to a buyer with regard to either clause (1) or (2).

15.14 (b) "Credit services organization" does not include:

15.15 (1) any person authorized to make loans or extensions of credit under the laws of this  
 15.16 state or the United States, if the person is subject to regulation and supervision by this state  
 15.17 or the United States or a lender approved by the United States Secretary of Housing and  
 15.18 Urban Development for participation in any mortgage insurance program under the National  
 15.19 Housing Act, United States Code, title 12, section 1701 et seq.;

15.20 (2) any bank, savings bank, or savings and loan institution whose deposits or accounts  
 15.21 are eligible for insurance by the Federal Deposit Insurance Corporation or a subsidiary of  
 15.22 the bank, savings bank, or savings and loan institution;

15.23 (3) any credit union, federal credit union, or out-of-state credit union doing business in  
 15.24 this state;

15.25 (4) any nonprofit organization exempt from taxation under section 501(c)(3) of the  
 15.26 Internal Revenue Code of 1986, as amended through December 31, 1990;

15.27 (5) any person ~~licensed as a prorating agency~~ registered as a debt management services  
 15.28 provider or debt settlement services provider under the laws of this state, if the person is  
 15.29 acting within the course and scope of ~~that license~~ the applicable registration;

15.30 (6) any person licensed as a real estate broker by this state if the person is acting within  
 15.31 the course and scope of that license;

16.1 (7) any person licensed as a collection agency under the laws of this state if the person  
16.2 is acting within the course and scope of that license;

16.3 (8) any person licensed to practice law in this state if the person renders services within  
16.4 the course and scope of practice as an attorney;

16.5 (9) any broker-dealer registered with the Securities and Exchange Commission or the  
16.6 Commodity Futures Trading Commission if the broker-dealer is acting within the course  
16.7 and scope of that regulation; or

16.8 (10) any consumer reporting agency as defined in the federal Fair Credit Reporting Act,  
16.9 United States Code, title 15, sections 1681 to 1681t, as amended through December 31,  
16.10 1990.

16.11 Sec. 13. Minnesota Statutes 2024, section 332A.04, subdivision 1, is amended to read:

16.12 Subdivision 1. **Form.** Application for registration to operate as a debt management  
16.13 services provider in this state must be made in writing to the commissioner, under oath, in  
16.14 the form prescribed by the commissioner, and must contain:

16.15 (1) the full name of each principal of the entity applying;

16.16 (2) the address, which must not be a post office box, and the telephone number and, if  
16.17 applicable, email address, of the applicant;

16.18 (3) identification of the trust account required under section 332A.13;

16.19 (4) consent to the jurisdiction of the courts of this state;

16.20 (5) the name and address of the registered agent authorized to accept service of process  
16.21 on behalf of the applicant or appointment of the commissioner as the applicant's agent for  
16.22 purposes of accepting service of process;

16.23 (6) disclosure of:

16.24 (i) whether any controlling or affiliated party has ever been convicted of a crime or found  
16.25 civilly liable for an offense involving moral turpitude, including forgery, embezzlement,  
16.26 obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or any  
16.27 other similar offense or violation, or any violation of a federal or state law or regulation in  
16.28 connection with activities relating to the rendition of debt management services or involving  
16.29 any consumer fraud, false advertising, deceptive trade practices, or similar consumer  
16.30 protection law;

17.1 (ii) any judgments, private or public litigation, tax liens, written complaints, administrative  
 17.2 actions, or investigations by any government agency against the applicant or any officer,  
 17.3 director, manager, or shareholder owning more than five percent interest in the applicant,  
 17.4 unresolved or otherwise, filed or otherwise commenced within the preceding ten years;

17.5 (iii) whether the applicant or any person employed by the applicant has had a record of  
 17.6 having defaulted in the payment of money collected for others, including the discharge of  
 17.7 debts through bankruptcy proceedings; and

17.8 (iv) whether the applicant's license or registration to provide debt management services  
 17.9 in any other state has ever been revoked or suspended;

17.10 (7) a copy of the applicant's standard debt management services agreement that the  
 17.11 applicant intends to execute with debtors; and

17.12 ~~(8) proof of accreditation, unless the applicant was licensed in Minnesota as a debt~~  
 17.13 ~~prorater immediately before August 1, 2007; and~~

17.14 ~~(9)~~ (8) any other information and material as the commissioner may require.

17.15 The commissioner may, for good cause shown, temporarily waive any requirement of  
 17.16 this subdivision.

17.17 Sec. 14. Minnesota Statutes 2024, section 332B.04, subdivision 1, is amended to read:

17.18 Subdivision 1. **Form.** Application for registration to operate as a debt settlement services  
 17.19 provider in this state must be made in writing to the commissioner, under oath, in the form  
 17.20 prescribed by the commissioner, and must contain:

17.21 (1) the full name of each principal of the entity applying;

17.22 (2) the address, which must not be a post office box, and the telephone number and, if  
 17.23 applicable, email address of the applicant;

17.24 (3) consent to the jurisdiction of the courts of this state;

17.25 (4) the name and address of the registered agent authorized to accept service of process  
 17.26 on behalf of the applicant or appointment of the commissioner as the applicant's agent for  
 17.27 purposes of accepting service of process;

17.28 (5) disclosure of:

17.29 (i) whether any controlling or affiliated party has ever been convicted of a crime or found  
 17.30 civilly liable for an offense involving moral turpitude, including forgery, embezzlement,  
 17.31 obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or any

18.1 other similar offense or violation, or any violation of a federal or state law or regulation in  
 18.2 connection with activities relating to the rendition of debt settlement services or involving  
 18.3 any consumer fraud, false advertising, deceptive trade practices, or similar consumer  
 18.4 protection law;

18.5 (ii) any judgments, private or public litigation, tax liens, written complaints, administrative  
 18.6 actions, or investigations by any government agency against the applicant or any officer,  
 18.7 director, manager, or shareholder owning more than five percent interest in the applicant,  
 18.8 unresolved or otherwise, filed or otherwise commenced within the preceding ten years;

18.9 (iii) whether the applicant or any person employed by the applicant has had a record of  
 18.10 having defaulted in the payment of money collected for others, including the discharge of  
 18.11 debts through bankruptcy proceedings; and

18.12 (iv) whether the applicant's license or registration to provide debt settlement services in  
 18.13 any other state has ever been revoked or suspended;

18.14 (6) a copy of the applicant's standard debt settlement services agreement that the applicant  
 18.15 intends to execute with debtors; and

18.16 ~~(7) proof of accreditation, unless the applicant submits an affidavit attesting that the~~  
 18.17 ~~applicant does not provide credit counseling services; and~~

18.18 ~~(8)~~ (7) any other information and material as the commissioner may require.

18.19 The commissioner may, for good cause shown, temporarily waive any requirement of  
 18.20 this subdivision.

18.21 Sec. 15. **REPEALER.**

18.22 Minnesota Statutes 2024, sections 56.08; 332A.02, subdivision 2; and 332B.02,  
 18.23 subdivision 2, are repealed.

## 18.24 **ARTICLE 4**

### 18.25 **HEALTH PLAN REGULATORY ALIGNMENT**

18.26 Section 1. **[60A.071] SUBSTANTIAL ENROLLMENT GROWTH; NOTIFICATION.**

18.27 Subdivision 1. **Notice required.** (a) No later than April 15 each year, an insurance  
 18.28 company that issues health plans, as defined in section 62A.011, and is licensed under this  
 18.29 chapter to offer, sell, or issue a policy of accident and sickness insurance, as defined in  
 18.30 section 62A.01, subdivision 1, or that is a nonprofit health service plan corporation operating  
 18.31 under chapter 62C must notify the commissioner if, for an insurance company or nonprofit

19.1 health service plan corporation with at least 25,000 enrollees, the insurance company or  
19.2 nonprofit health service plan corporation:

19.3 (1) increases the total number of enrollees, as of April 1 in the current calendar year, by  
19.4 more than 35 percent of the insurance company's or nonprofit health service plan corporation's  
19.5 total number of enrollees for the immediately preceding calendar year; or

19.6 (2) increases the total number of enrollees in a specific line of business or product by a  
19.7 percentage that is greater than the percentage of growth threshold established by the  
19.8 commissioner for the specific line of business or product.

19.9 (b) For purposes of this section, the number of enrollees must be calculated in a manner  
19.10 consistent with the insurance company or nonprofit health service plan corporation's reported  
19.11 covered lives in the company's National Association of Insurance Commissioners Annual  
19.12 Statement.

19.13 Subd. 2. **Additional information.** (a) Upon receiving notice under subdivision 1, the  
19.14 commissioner may request and the insurance company or nonprofit health service plan  
19.15 corporation must provide additional information regarding the insurance company's or  
19.16 nonprofit health service plan corporation's financial readiness to serve the increased  
19.17 enrollment. The additional information requested may include but is not limited to:

19.18 (1) the conditions contributing to the insurance company's or nonprofit health service  
19.19 plan corporation's enrollment growth;

19.20 (2) a three-year projected statutory balance sheet, income statements, and cash flow  
19.21 statements for the current year and the subsequent two years;

19.22 (3) the key assumptions impacting the projections and the sensitivity of the projections  
19.23 to the assumptions; and

19.24 (4) a description of anticipated issues associated with the insurance company's or  
19.25 nonprofit health service plan corporation's business, including but not limited to (i) assets,  
19.26 (ii) anticipated business growth and associated surplus strain, (iii) significant change in risk  
19.27 profile, (iv) mix of business, and (v) reinsurance use, if any, in each case.

19.28 (b) If the information reported under paragraph (a) raises a concern with respect to an  
19.29 insurance company's or nonprofit health service plan corporation's business on a prospective  
19.30 basis due to anticipated business growth, including but not limited to anticipated business  
19.31 growth, strain on surplus, increased exposure to risk, or an imbalanced mix of business, the  
19.32 commissioner may issue a corrective order specifying corrective actions the commissioner

20.1 determines are required. A corrective order issued under this paragraph is subject to review  
 20.2 under chapter 14.

20.3 Sec. 2. Minnesota Statutes 2024, section 60A.50, subdivision 1, is amended to read:

20.4 Subdivision 1. **Scope.** For purposes of sections 60A.50 to ~~60A.592~~ 60A.593, the terms  
 20.5 in subdivisions 2 to 13 have the meanings given ~~them~~.

20.6 Sec. 3. Minnesota Statutes 2024, section 60A.50, subdivision 3, is amended to read:

20.7 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of commerce ~~or the~~  
 20.8 ~~commissioner of health, whichever commissioner otherwise regulates the health organization.~~

20.9 Sec. 4. **[60A.593] PROHIBITED ACTIVITIES.**

20.10 A domestic health organization that has a total adjusted capital equal to or less than the  
 20.11 domestic health organization's company action level RBC is prohibited from, without  
 20.12 receiving advance approval from the commissioner: (1) increasing the salary or benefits of  
 20.13 an officer or director, or (2) making preferential payment of bonuses, dividends, or other  
 20.14 payments the commissioner determines are preferential.

20.15 Sec. 5. Minnesota Statutes 2024, section 60A.951, subdivision 3, is amended to read:

20.16 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of commerce ~~for~~  
 20.17 ~~insurers regulated by the commissioner of commerce, and means the commissioner of health~~  
 20.18 ~~for insurers regulated by the commissioner of health.~~

20.19 Sec. 6. Minnesota Statutes 2024, section 60A.985, subdivision 8, is amended to read:

20.20 Subd. 8. **Licensee.** "Licensee" means any person licensed, authorized to operate, or  
 20.21 registered, or required to be licensed, authorized, or registered by the Department of  
 20.22 Commerce ~~or the Department of Health~~ under chapters 59A to 62M, 62Q to 62V, and 64B  
 20.23 to 79A.

20.24 Sec. 7. Minnesota Statutes 2024, section 60A.9853, subdivision 1, is amended to read:

20.25 Subdivision 1. **Notification to the commissioner.** Each licensee shall notify the  
 20.26 commissioner of commerce ~~or commissioner of health, whichever commissioner otherwise~~  
 20.27 ~~regulates the licensee~~, without unreasonable delay but in no event later than five business  
 20.28 days from a determination that a cybersecurity event has occurred when either of the  
 20.29 following criteria has been met:

21.1 (1) this state is the licensee's state of domicile, in the case of an insurer, or this state is  
 21.2 the licensee's home state, in the case of a producer, as those terms are defined in chapter  
 21.3 60K and the cybersecurity event has a reasonable likelihood of materially harming:

21.4 (i) any consumer residing in this state; or

21.5 (ii) any part of the normal operations of the licensee; or

21.6 (2) the licensee reasonably believes that the nonpublic information involved is of 250  
 21.7 or more consumers residing in this state and that is either of the following:

21.8 (i) a cybersecurity event impacting the licensee of which notice is required to be provided  
 21.9 to any government body, self-regulatory agency, or any other supervisory body pursuant  
 21.10 to any state or federal law; or

21.11 (ii) a cybersecurity event that has a reasonable likelihood of materially harming:

21.12 (A) any consumer residing in this state; or

21.13 (B) any part of the normal operations of the licensee.

21.14 Sec. 8. Minnesota Statutes 2024, section 60A.9854, is amended to read:

21.15 **60A.9854 POWER OF COMMISSIONER.**

21.16 (a) The commissioner of commerce ~~or commissioner of health, whichever commissioner~~  
 21.17 ~~otherwise regulates the licensee, shall have~~ has power to examine and investigate into the  
 21.18 affairs of any licensee to determine whether the licensee has been or is engaged in any  
 21.19 conduct in violation of sections 60A.985 to 60A.9857. This power is in addition to the  
 21.20 powers which the commissioner has under section 60A.031. Any such investigation or  
 21.21 examination shall be conducted pursuant to section 60A.031.

21.22 (b) Whenever the commissioner of commerce ~~or commissioner of health~~ has reason to  
 21.23 believe that a licensee has been or is engaged in conduct in this state which violates sections  
 21.24 60A.985 to 60A.9857, the commissioner of commerce ~~or commissioner of health~~ may take  
 21.25 action that is necessary or appropriate to enforce those sections.

21.26 Sec. 9. Minnesota Statutes 2024, section 60B.03, subdivision 2, is amended to read:

21.27 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of commerce ~~of the~~  
 21.28 ~~state of Minnesota~~ and, in that commissioner's absence or disability, a deputy or other person  
 21.29 duly designated to act in that commissioner's place. ~~In the context of rehabilitation or~~  
 21.30 ~~liquidation of a health maintenance organization, "commissioner" means the commissioner~~

22.1 ~~of health of the state of Minnesota and, in that commissioner's absence or disability, a deputy~~  
 22.2 ~~or other person duly designated to act in that commissioner's place.~~

22.3 Sec. 10. Minnesota Statutes 2024, section 60G.01, subdivision 2, is amended to read:

22.4 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of commerce, ~~except~~  
 22.5 ~~that "commissioner" means the commissioner of health for administrative supervision of~~  
 22.6 ~~health maintenance organizations.~~

22.7 Sec. 11. Minnesota Statutes 2024, section 60G.01, subdivision 4, is amended to read:

22.8 Subd. 4. **Department.** "Department" means the Department of Commerce, ~~except that~~  
 22.9 ~~"department" means the Department of Health for administrative supervision of health~~  
 22.10 ~~maintenance organizations.~~

22.11 Sec. 12. Minnesota Statutes 2024, section 62A.02, subdivision 8, is amended to read:

22.12 Subd. 8. **Filing by health carriers for purposes of complying with the certification**  
 22.13 **requirements of MNsure.** No qualified health plan shall be offered through MNsure until  
 22.14 its form and the premium rates pertaining to the form have been approved by the  
 22.15 commissioner of commerce ~~or health, as appropriate,~~ and the health plan has been determined  
 22.16 to comply with the certification requirements of MNsure in accordance with an agreement  
 22.17 between the commissioners of commerce and health and MNsure.

22.18 Sec. 13. Minnesota Statutes 2024, section 62A.021, subdivision 1, is amended to read:

22.19 Subdivision 1. **Loss ratio standards.** (a) Notwithstanding section 62A.02, subdivision  
 22.20 3, relating to loss ratios, and except as otherwise authorized by section 62A.02, subdivision  
 22.21 3a, for individual policies or certificates, health care policies or certificates shall not be  
 22.22 delivered or issued for delivery to an individual or to a small employer as defined in section  
 22.23 62L.02, unless the policies or certificates can be expected, as estimated for the entire period  
 22.24 for which rates are computed to provide coverage, to return to Minnesota policyholders and  
 22.25 certificate holders in the form of aggregate benefits not including anticipated refunds or  
 22.26 credits, provided under the policies or certificates, (1) at least 75 percent of the aggregate  
 22.27 amount of premiums earned in the case of policies issued in the small employer market, as  
 22.28 defined in section 62L.02, subdivision 27, calculated on an aggregate basis; and (2) at least  
 22.29 65 percent of the aggregate amount of premiums earned in the case of each policy form or  
 22.30 certificate form issued in the individual market; calculated on the basis of incurred claims  
 22.31 experience or incurred health care expenses where coverage is provided by a health

23.1 maintenance organization on a service rather than reimbursement basis and earned premiums  
23.2 for the period and according to accepted actuarial principles and practices. Assessments by  
23.3 the reinsurance association created in chapter 62L and all types of taxes, surcharges, or  
23.4 assessments created by Laws 1992, chapter 549, or created on or after April 23, 1992, are  
23.5 included in the calculation of incurred claims experience or incurred health care expenses.  
23.6 The applicable percentage for policies and certificates issued in the small employer market,  
23.7 as defined in section 62L.02, increases by one percentage point on July 1 of each year,  
23.8 beginning on July 1, 1994, until an 82 percent loss ratio is reached on July 1, 2000. The  
23.9 applicable percentage for policy forms and certificate forms issued in the individual market  
23.10 increases by one percentage point on July 1 of each year, beginning on July 1, 1994, until  
23.11 a 72 percent loss ratio is reached on July 1, 2000. A health carrier that enters a market after  
23.12 July 1, 1993, does not start at the beginning of the phase-in schedule and must instead  
23.13 comply with the loss ratio requirements applicable to other health carriers in that market  
23.14 for each time period. Premiums earned and claims incurred in markets other than the small  
23.15 employer and individual markets are not relevant for purposes of this section.

23.16 (b) All filings of rates and rating schedules shall demonstrate that actual expected claims  
23.17 in relation to premiums comply with the requirements of this section when combined with  
23.18 actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated  
23.19 loss ratio over the entire future period for which the revised rates are computed to provide  
23.20 coverage can be expected to meet the appropriate loss ratio standards, and aggregate loss  
23.21 ratio from inception of the policy form or certificate form shall equal or exceed the  
23.22 appropriate loss ratio standards.

23.23 (c) A health carrier that issues health care policies and certificates to individuals or to  
23.24 small employers, as defined in section 62L.02, in this state shall file annually its rates, rating  
23.25 schedule, and supporting documentation including ratios of incurred losses to earned  
23.26 premiums by policy form or certificate form duration for approval by the commissioner  
23.27 according to the filing requirements and procedures prescribed by the commissioner. The  
23.28 supporting documentation shall also demonstrate in accordance with actuarial standards of  
23.29 practice using reasonable assumptions that the appropriate loss ratio standards can be  
23.30 expected to be met over the entire period for which rates are computed. The demonstration  
23.31 shall exclude active life reserves. If the data submitted does not confirm that the health  
23.32 carrier has satisfied the loss ratio requirements of this section, the commissioner shall notify  
23.33 the health carrier in writing of the deficiency. The health carrier shall have 30 days from  
23.34 the date of the commissioner's notice to file amended rates that comply with this section.  
23.35 If the health carrier fails to file amended rates within the prescribed time, the commissioner

24.1 shall order that the health carrier's filed rates for the nonconforming policy form or certificate  
24.2 form be reduced to an amount that would have resulted in a loss ratio that complied with  
24.3 this section had it been in effect for the reporting period of the supplement. The health  
24.4 carrier's failure to file amended rates within the specified time or the issuance of the  
24.5 commissioner's order amending the rates does not preclude the health carrier from filing an  
24.6 amendment of its rates at a later time. The commissioner shall annually make the submitted  
24.7 data available to the public at a cost not to exceed the cost of copying. The data must be  
24.8 compiled in a form useful for consumers who wish to compare premium charges and loss  
24.9 ratios.

24.10 (d) Each sale of a policy or certificate that does not comply with the loss ratio  
24.11 requirements of this section is an unfair or deceptive act or practice in the business of  
24.12 insurance and is subject to the penalties in sections 72A.17 to 72A.32.

24.13 (e)(1) For purposes of this section, health care policies issued as a result of solicitations  
24.14 of individuals through the mail or mass media advertising, including both print and broadcast  
24.15 advertising, shall be treated as individual policies.

24.16 (2) For purposes of this section, (i) "health care policy" or "health care certificate" is a  
24.17 health plan as defined in section 62A.011; and (ii) "health carrier" has the meaning given  
24.18 in section 62A.011 and includes all health carriers delivering or issuing for delivery health  
24.19 care policies or certificates in this state or offering these policies or certificates to residents  
24.20 of this state.

24.21 (f) The loss ratio phase-in as described in paragraph (a) does not apply to individual  
24.22 policies and small employer policies issued by a health plan company that is assessed less  
24.23 than three percent of the total annual amount assessed by the Minnesota Comprehensive  
24.24 Health Association. These policies must meet a 68 percent loss ratio for individual policies,  
24.25 a 71 percent loss ratio for small employer policies with fewer than ten employees, and a 75  
24.26 percent loss ratio for all other small employer policies.

24.27 (g) Notwithstanding paragraphs (a) and (f), the loss ratio shall be 60 percent for a health  
24.28 plan as defined in section 62A.011, offered by an insurance company licensed under chapter  
24.29 60A that is assessed less than ten percent of the total annual amount assessed by the  
24.30 Minnesota Comprehensive Health Association. For purposes of the percentage calculation  
24.31 of the association's assessments, an insurance company's assessments include those of its  
24.32 affiliates.

24.33 (h) The ~~commissioners~~ commissioner of commerce and health ~~shall each~~ must annually  
24.34 issue a public report listing, by health plan company, the actual loss ratios experienced in

25.1 the individual and small employer markets in this state ~~by the health plan companies that~~  
 25.2 ~~the commissioners respectively regulate. The commissioners shall coordinate release of~~  
 25.3 ~~these reports so as to release them as a joint report or as separate reports issued the same~~  
 25.4 ~~day.~~ The report or reports shall be released no later than June 1 for loss ratios experienced  
 25.5 for the preceding calendar year. Health plan companies shall provide to the ~~commissioners~~  
 25.6 commissioner any information requested by the ~~commissioners~~ commissioner for purposes  
 25.7 of this paragraph.

25.8 Sec. 14. Minnesota Statutes 2024, section 62A.61, is amended to read:

25.9 **62A.61 DISCLOSURE OF METHODS USED BY HEALTH CARRIERS TO**  
 25.10 **DETERMINE USUAL AND CUSTOMARY FEES.**

25.11 (a) A health carrier that bases reimbursement to health care providers upon a usual and  
 25.12 customary fee must maintain in its office a copy of a description of the methodology used  
 25.13 to calculate fees including at least the following:

25.14 (1) the frequency of the determination of usual and customary fees;

25.15 (2) a general description of the methodology used to determine usual and customary  
 25.16 fees; and

25.17 (3) the percentile of usual and customary fees that determines the maximum allowable  
 25.18 reimbursement.

25.19 (b) A health carrier must provide a copy of the information described in paragraph (a)  
 25.20 to the commissioner of health or the commissioner of commerce, upon request.

25.21 (c) ~~The commissioner of health or the commissioner of commerce, as appropriate, may~~  
 25.22 ~~use to enforce this section~~ any enforcement powers otherwise available to the commissioner  
 25.23 with respect to the health carrier to enforce this section. The commissioner of ~~health or~~  
 25.24 ~~commerce, as appropriate,~~ may require health carriers to provide the information required  
 25.25 under this section and may use any powers granted under other laws relating to the regulation  
 25.26 of health carriers to enforce compliance.

25.27 (d) For purposes of this section, "health carrier" has the meaning given in section  
 25.28 62A.011.

25.29 (e) "Usual and customary" means the normal charge, in the absence of insurance, of the  
 25.30 provider for a service or article, but not more than the prevailing charge in the area for like  
 25.31 service or article. A "like service" is the same nature and duration, requires the same skill,  
 25.32 and is performed by a provider of similar training and experience. A "like article" is one

26.1 that is identically or substantially equivalent. "Area" means the municipality or, in the case  
26.2 of a large city, a subdivision of the city, in which the service or article is actually provided  
26.3 or a greater area as is necessary to obtain a representative cross-section of charges for like  
26.4 service or article.

26.5 Sec. 15. Minnesota Statutes 2024, section 62A.65, subdivision 7, is amended to read:

26.6 Subd. 7. **Short-term coverage.** (a) For purposes of this section, "short-term coverage"  
26.7 means an individual health plan that:

26.8 (1) is issued to provide coverage for a period of 185 days or less, except that the health  
26.9 plan may permit coverage to continue until the end of a period of hospitalization for a  
26.10 condition for which the covered person was hospitalized on the day that coverage would  
26.11 otherwise have ended;

26.12 (2) is nonrenewable, provided that the health carrier may provide coverage for one or  
26.13 more subsequent periods that satisfy clause (1), if the total of the periods of coverage do  
26.14 not exceed a total of 365 days out of any 555-day period, plus any additional days covered  
26.15 as a result of hospitalization on the day that a period of coverage would otherwise have  
26.16 ended;

26.17 (3) does not cover any preexisting conditions, including ones that originated during a  
26.18 previous identical policy or contract with the same health carrier where coverage was  
26.19 continuous between the previous and the current policy or contract; and

26.20 (4) is available with an immediate effective date without underwriting upon receipt of  
26.21 a completed application indicating eligibility under the health carrier's eligibility  
26.22 requirements, provided that coverage that includes optional benefits may be offered on a  
26.23 basis that does not meet this requirement.

26.24 (b) Short-term coverage is not subject to subdivisions 2 and 5. Short-term coverage may  
26.25 exclude as a preexisting condition any injury, illness, or condition for which the covered  
26.26 person had medical treatment, symptoms, or any manifestations before the effective date  
26.27 of the coverage, but dependent children born or placed for adoption during the policy period  
26.28 must not be subject to this provision.

26.29 (c) Notwithstanding subdivision 3, and section 62A.021, a health carrier may combine  
26.30 short-term coverage with its most commonly sold individual qualified plan, as defined in  
26.31 section 62E.02, other than short-term coverage, for purposes of complying with the loss  
26.32 ratio requirement.

27.1 (d) The 365-day coverage limitation provided in paragraph (a) applies to the total number  
27.2 of days of short-term coverage that covers a person, regardless of the number of policies,  
27.3 contracts, or health carriers that provide the coverage. A written application for short-term  
27.4 coverage must ask the applicant whether the applicant has been covered by short-term  
27.5 coverage by any health carrier within the 555 days immediately preceding the effective date  
27.6 of the coverage being applied for. Short-term coverage issued in violation of the 365-day  
27.7 limitation is valid until the end of its term and does not lose its status as short-term coverage,  
27.8 in spite of the violation. A health carrier that knowingly issues short-term coverage in  
27.9 violation of the 365-day limitation is subject to the administrative penalties otherwise  
27.10 available to the commissioner of commerce ~~or the commissioner of health, as appropriate.~~

27.11 Sec. 16. Minnesota Statutes 2024, section 62A.65, subdivision 8, is amended to read:

27.12 **Subd. 8. Cessation of individual business.** Notwithstanding the provisions of  
27.13 subdivisions 1 to 7, a health carrier may elect to cease doing business in the individual health  
27.14 plan market in this state if it complies with the requirements of this subdivision. For purposes  
27.15 of this section, "cease doing business" means to discontinue issuing new individual health  
27.16 plans and to refuse to renew all of the health carrier's existing individual health plans issued  
27.17 in this state whose terms permit refusal to renew under the circumstances specified in this  
27.18 subdivision. This subdivision does not permit cancellation of an individual health plan,  
27.19 unless the terms of the health plan permit cancellation under the circumstances specified in  
27.20 this subdivision. A health carrier electing to cease doing business in the individual health  
27.21 plan market in this state shall notify the commissioner 180 days prior to the effective date  
27.22 of the cessation. Within 30 days after the termination, the health carrier shall submit to the  
27.23 commissioner a complete list of policyholders that have been terminated. The cessation of  
27.24 business does not include the failure of a health carrier to offer or issue new business in the  
27.25 individual health plan market or continue an existing product line in that market, provided  
27.26 that a health carrier does not terminate, cancel, or fail to renew its current individual health  
27.27 plan business. A health carrier electing to cease doing business in the individual health plan  
27.28 market shall provide 120 days' written notice to each policyholder covered by an individual  
27.29 health plan issued by the health carrier. This notice must also inform each policyholder of  
27.30 the existence of the Minnesota Comprehensive Health Association, the requirements for  
27.31 being accepted, the procedures for applying for coverage, and the telephone numbers at the  
27.32 ~~Department of Health and the Department of Commerce~~ for information about private  
27.33 individual or family health coverage. A health carrier that ceases to write new business in  
27.34 the individual health plan market shall continue to be governed by this section with respect  
27.35 to continuing individual health plan business conducted by the health carrier. A health carrier

28.1 that ceases to do business in the individual health plan market after July 1, 1994, is prohibited  
28.2 from writing new business in the individual health plan market in this state for a period of  
28.3 five years from the date of notice to the commissioner. This subdivision applies to any  
28.4 health maintenance organization that ceases to do business in the individual health plan  
28.5 market in one service area with respect to that service area only. Nothing in this subdivision  
28.6 prohibits an affiliated health maintenance organization from continuing to do business in  
28.7 the individual health plan market in that same service area. The right to refuse to renew an  
28.8 individual health plan under this subdivision does not apply to individual health plans issued  
28.9 on a guaranteed renewable basis that does not permit refusal to renew under the circumstances  
28.10 specified in this subdivision.

28.11 **Sec. 17. [62D.015] REGULATORY DUTIES; TRANSFER.**

28.12 Subdivision 1. **Transfer and restructuring.** (a) The regulatory oversight with respect  
28.13 to health maintenance organizations transfers from the commissioner of health to the  
28.14 commissioner of commerce on July 1, 2026.

28.15 (b) The agency restructuring under this section must be conducted in accordance with  
28.16 sections 15.039 and 43A.045.

28.17 Subd. 2. **Succession; employees; liability.** (a) Employees related to the functions  
28.18 assigned to the commissioner of health are transferred to the Department of Commerce 30  
28.19 days after the date the commissioner of health approves the transfer.

28.20 (b) An employee transferred under paragraph (a):

28.21 (1) must not have the employee's employment status or job classification altered as a  
28.22 result of the transfer;

28.23 (2) if represented by an exclusive representative before the transfer, remains represented  
28.24 by the same exclusive representative after the transfer occurs;

28.25 (3) if an applicable collective bargaining agreement with an exclusive representative  
28.26 was effective before the transfer, remains subject to the collective bargaining agreement  
28.27 for the remainder of the agreement's term; and

28.28 (4) if employed in a temporary unclassified position, the total length of time that the  
28.29 employee has served in the appointment includes all time served in the appointment at the  
28.30 transferring agency and the time served in the appointment at the department. An employee  
28.31 in a temporary unclassified position who was hired by a transferring agency through an  
28.32 open competitive selection process in accordance with a policy enacted by the commissioner

29.1 of management and budget is considered to have been hired through an open competitive  
 29.2 selection process after the transfer.

29.3 (c) The state must meet and negotiate with the exclusive representatives of transferred  
 29.4 employees regarding proposed changes that affect or relate to the transferred employees'  
 29.5 terms and conditions of employment to the extent that the proposed changes are not addressed  
 29.6 in the applicable collective bargaining agreement.

29.7 (d) If the state transfers ownership or control of a department facility, service, or operation  
 29.8 to a private or public entity by subcontracting, sale, assignment, lease, or other transfer, the  
 29.9 state must require as a written condition of the transfer of ownership or control:

29.10 (1) an employee who performs work in the facility, service, or operation must be offered  
 29.11 employment with the entity acquiring ownership or control before the entity offers  
 29.12 employment to another individual who was not employed by the transferring agency at the  
 29.13 time the transfer occurs; and

29.14 (2) the entity acquiring ownership or control is prohibited from reducing the transferred  
 29.15 employee's wage and benefit standards until the collective bargaining agreement in effect  
 29.16 at the time the transfer occurs expires or for a period of two years after the transfer occurs,  
 29.17 whichever is longer.

29.18 (e) The state of Minnesota and the state's officers or agents are not liable for and are not  
 29.19 subject to a cause of action arising from the action or inaction of an entity acquiring  
 29.20 ownership or control of a department facility, service, or operation.

29.21 Sec. 18. Minnesota Statutes 2024, section 62D.08, subdivision 1, is amended to read:

29.22 Subdivision 1. **Notice of changes.** A health maintenance organization shall, unless  
 29.23 otherwise provided for by rules adopted by the commissioner of health commerce, file  
 29.24 notice with the commissioner of health ~~prior to any modification of commerce before~~  
 29.25 modifying the operations or documents described in the information submitted under section  
 29.26 62D.03, subdivision 4, clauses (a), (b), (e), (f), (g), (i), (j), (l), (m), (n), (o), (p), (q), (r), (s),  
 29.27 and (t) of section 62D.03, subdivision 4. If the commissioner of health commerce does not  
 29.28 disapprove of the filing within 60 days, it shall be deemed approved and may be implemented  
 29.29 by the health maintenance organization.

29.30 Sec. 19. Minnesota Statutes 2024, section 62D.08, subdivision 2, is amended to read:

29.31 Subd. 2. **Annual report required.** Every health maintenance organization shall annually,  
 29.32 on or before April 1, file a verified report with the commissioner of health commerce

30.1 covering the preceding calendar year. However, utilization data required under subdivision  
30.2 3, clause (c), shall be filed on or before July 1.

30.3 Sec. 20. Minnesota Statutes 2024, section 62D.08, subdivision 3, is amended to read:

30.4 Subd. 3. **Report requirements.** ~~Such~~ The report shall be submitted on forms prescribed  
30.5 by the commissioner of ~~health~~, commerce and shall include:

30.6 (a) a financial statement of the organization, including its balance sheet and receipts and  
30.7 disbursements for the preceding year certified by an independent certified public accountant,  
30.8 reflecting at least (1) all prepayment and other payments received for health care services  
30.9 rendered, (2) expenditures to all providers, by classes or groups of providers, and insurance  
30.10 companies or nonprofit health service plan corporations engaged to fulfill obligations arising  
30.11 out of the health maintenance contract, (3) expenditures for capital improvements, or  
30.12 additions thereto, including but not limited to construction, renovation or purchase of  
30.13 facilities and capital equipment, and (4) a supplementary statement of assets, liabilities,  
30.14 premium revenue, and expenditures for risk sharing business under section 62D.04,  
30.15 subdivision 1, on forms prescribed by the commissioner;

30.16 (b) the number of new enrollees enrolled during the year, the number of group enrollees  
30.17 and the number of individual enrollees as of the end of the year and the number of enrollees  
30.18 terminated during the year;

30.19 (c) a summary of information compiled pursuant to section 62D.04, subdivision 1, clause  
30.20 (c), in such form as may be required by the commissioner of ~~health~~ commerce;

30.21 (d) a report of the names and addresses of all persons set forth in section 62D.03,  
30.22 subdivision 4, clause (c), who were associated with the health maintenance organization or  
30.23 the major participating entity during the preceding year, and the amount of wages, expense  
30.24 reimbursements, or other payments to such individuals for services to the health maintenance  
30.25 organization or the major participating entity, as those services relate to the health  
30.26 maintenance organization, including a full disclosure of all financial arrangements during  
30.27 the preceding year required to be disclosed pursuant to section 62D.03, subdivision 4, clause  
30.28 (d);

30.29 (e) a separate report addressing health maintenance contracts sold to individuals covered  
30.30 by Medicare, title XVIII of the Social Security Act, as amended, including the information  
30.31 required under section 62D.30, subdivision 6;

30.32 (f) data on the number of complaints received and the category of each complaint as  
30.33 defined by the commissioner. The categories must include access, communication and

31.1 behavior, health plan administration, facilities and environment, coordination of care, and  
31.2 technical competence and appropriateness. The commissioner, in consultation with interested  
31.3 stakeholders, shall define complaint categories to be used by each health maintenance  
31.4 organization by July 1, 2017, and the categories must be used by each health maintenance  
31.5 organization beginning calendar year 2018; and

31.6 (g) such other information relating to the performance of the health maintenance  
31.7 organization as is reasonably necessary to enable the commissioner of ~~health~~ commerce to  
31.8 carry out the duties under sections 62D.01 to 62D.30.

31.9 Sec. 21. Minnesota Statutes 2024, section 62D.08, subdivision 7, is amended to read:

31.10 Subd. 7. **Consistent administrative expenses and investment income reporting.** (a)  
31.11 Every health maintenance organization must directly allocate administrative expenses to  
31.12 specific lines of business or products when such information is available. Remaining expenses  
31.13 that cannot be directly allocated must be allocated based on other methods, as recommended  
31.14 by the Advisory Group on Administrative Expenses. Health maintenance organizations  
31.15 must submit this information, including administrative expenses for dental services, using  
31.16 the reporting template provided by the commissioner of ~~health~~ commerce.

31.17 (b) Every health maintenance organization must allocate investment income based on  
31.18 cumulative net income over time by business line or product and must submit this  
31.19 information, including investment income for dental services, using the reporting template  
31.20 provided by the commissioner of ~~health~~ commerce.

31.21 Sec. 22. Minnesota Statutes 2024, section 62D.08, is amended by adding a subdivision to  
31.22 read:

31.23 Subd. 8. **Information sharing.** The commissioner of commerce must share nonpublic  
31.24 data submitted by health maintenance organizations under this section with (1) the  
31.25 commissioner of health and the commissioner of human services, (2) other state and federal  
31.26 regulatory agencies, and (3) the National Association of Insurance Commissioners, if the  
31.27 requesting recipient under clauses (1) to (3) agrees to maintain the data in a manner consistent  
31.28 with the data's classification under chapter 13. The commissioner of commerce may enter  
31.29 into agreements governing the sharing and use of information, provided the agreements are  
31.30 consistent with this subdivision.

32.1 Sec. 23. **[62D.085] SUBSTANTIAL ENROLLMENT GROWTH; NOTICE.**

32.2 **Subdivision 1. Notice required.** (a) No later than April 15 each year, a health  
32.3 maintenance organization that is operating under this chapter and that has at least 25,000  
32.4 enrollees must notify the commissioner if the health maintenance organization:

32.5 (1) increases the total number of enrollees, as of April 1 in the current calendar year, by  
32.6 more than 35 percent of the health maintenance organization's total number of enrollees for  
32.7 the immediately preceding calendar year; or

32.8 (2) increases the total number of enrollees in a specific line of business or product by a  
32.9 percentage that is greater than the percentage of growth threshold established by the  
32.10 commissioner for the specific line of business or product.

32.11 (b) For purposes of this section, the number of enrollees must be calculated in a manner  
32.12 consistent with the health maintenance organization's reported covered lives in the company's  
32.13 National Association of Insurance Commissioners Annual Statement.

32.14 **Subd. 2. Additional information.** (a) Upon receiving notice under subdivision 1, the  
32.15 commissioner may request and the health maintenance organization must provide additional  
32.16 information regarding the health maintenance organization's financial readiness to serve  
32.17 the increased enrollment. The additional information requested may include but is not limited  
32.18 to:

32.19 (1) the conditions contributing to the health maintenance organization's enrollment  
32.20 growth;

32.21 (2) a three-year projected statutory balance sheet, income statements, and cash flow  
32.22 statements for the current year and the subsequent two years;

32.23 (3) the key assumptions impacting the projections and the sensitivity of the projections  
32.24 to the assumptions; and

32.25 (4) a description of anticipated issues associated with the health maintenance  
32.26 organization's business, including but not limited to (i) assets, (ii) anticipated business  
32.27 growth and associated surplus strain, (iii) significant change in risk profile, (iv) mix of  
32.28 business, and (v) reinsurance use, if any, in each case.

32.29 (b) If the information reported under paragraph (a) raises a concern with respect to a  
32.30 health maintenance organization's business on a prospective basis due to anticipated business  
32.31 growth, including but not limited to anticipated business growth, strain on surplus, increased  
32.32 exposure to risk, or an imbalanced mix of business, the commissioner may issue a corrective

33.1 order specifying corrective actions the commissioner determines are required. A corrective  
 33.2 order issued under this paragraph is subject to review under chapter 14.

33.3 Sec. 24. Minnesota Statutes 2024, section 62D.12, subdivision 1, is amended to read:

33.4 Subdivision 1. **False representations.** No health maintenance organization or  
 33.5 representative thereof may cause or knowingly permit the use of advertising or solicitation  
 33.6 which is untrue or misleading, or any form of evidence of coverage which is deceptive.  
 33.7 Each health maintenance organization ~~shall be~~ is subject to sections 72A.17 to 72A.32,  
 33.8 ~~relating to the regulation of trade practices, except (a) to the extent that the nature of a health~~  
 33.9 ~~maintenance organization renders such sections clearly inappropriate and (b) that enforcement~~  
 33.10 ~~shall be by the commissioner of health and not by the commissioner of commerce.~~ Every  
 33.11 health maintenance organization ~~shall be~~ is subject to sections 8.31 and 325F.69.

33.12 Sec. 25. Minnesota Statutes 2024, section 62D.124, subdivision 5, is amended to read:

33.13 Subd. 5. **Provider networks.** ~~The commissioner of health, the commissioner of~~  
 33.14 ~~commerce, and the commissioner of human services shall merge reporting requirements~~  
 33.15 ~~for health maintenance organizations and county-based purchasing plans related to Minnesota~~  
 33.16 ~~Department of Health~~ Commerce oversight of network adequacy under this section and the  
 33.17 provider network list reported to the Department of Human Services under Minnesota Rules,  
 33.18 part 4685.2100. The commissioners shall work with health maintenance organizations and  
 33.19 county-based purchasing plans to ensure that the report merger is done in a manner that  
 33.20 simplifies health maintenance organization and county-based purchasing plan reporting  
 33.21 processes.

33.22 Sec. 26. Minnesota Statutes 2025 Supplement, section 62D.21, is amended to read:

33.23 **62D.21 FEES.**

33.24 Every health maintenance organization subject to sections 62D.01 to 62D.30 shall pay  
 33.25 to the commissioner of ~~health~~ commerce the following fees:

33.26 (1) filing an application for a certificate of authority: \$10,000;

33.27 (2) filing an amendment to a certificate of authority: \$125;

33.28 (3) filing each annual report: \$400;

33.29 (4) filing each quarterly report: \$200; and

33.30 (5) filing annual plan review documents, amendments to plan documents, and quality  
 33.31 plans: \$125.

34.1 Sec. 27. Minnesota Statutes 2025 Supplement, section 62D.211, is amended to read:

34.2 **62D.211 RENEWAL FEE.**

34.3 Each health maintenance organization subject to sections 62D.01 to 62D.30 shall submit  
 34.4 to the commissioner of health commerce each year before June 15 a certificate of authority  
 34.5 renewal fee in the amount of \$30,000 each plus 88 cents per person enrolled in the health  
 34.6 maintenance organization on December 31 of the preceding year.

34.7 Sec. 28. **62D.212] HEALTH MAINTENANCE ORGANIZATION REGULATION**  
 34.8 **ACCOUNT.**

34.9 (a) A health maintenance organization regulation account is established as a separate  
 34.10 account in the special revenue fund in the state treasury. The commissioner of commerce  
 34.11 must credit to the account filing fees and renewal fees collected under sections 62D.21 and  
 34.12 62D.211, appropriations and transfers, and other revenue related to the activities identified  
 34.13 in paragraph (b). Earnings, including interest, dividends, other earnings arising from the  
 34.14 account's assets, and remaining money from fiscal years occurring before July 1, 2026, must  
 34.15 be credited to the account. The commissioner of commerce must manage the account.

34.16 (b) Money in the account is appropriated to the commissioner of commerce to administer  
 34.17 this chapter and to reimburse the department's costs incurred to administer this section.

34.18 Sec. 29. Minnesota Statutes 2024, section 62D.221, subdivision 1, is amended to read:

34.19 Subdivision 1. **Insurance provisions applicable to health maintenance**  
 34.20 **organizations.** Health maintenance organizations are subject to sections 60A.135, 60A.136,  
 34.21 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with the  
 34.22 provisions of these sections applicable to insurers. In applying these sections to health  
 34.23 maintenance organizations, "commissioner" means the commissioner of health commerce.  
 34.24 Health maintenance organizations are subject to Minnesota Rules, chapter 2720, as applicable  
 34.25 to sections 60D.17, 60D.18, and 60D.20, and must comply with the provisions of chapter  
 34.26 2720 applicable to insurers, unless the commissioner of health commerce adopts rules to  
 34.27 implement this subdivision.

34.28 Sec. 30. Minnesota Statutes 2024, section 62D.221, subdivision 2, is amended to read:

34.29 Subd. 2. **Statement.** In addition to the conditions in section 60D.17, subdivision 1,  
 34.30 subjecting a health maintenance organization to filing requirements, no person other than  
 34.31 the issuer shall acquire all or substantially all of the assets of a domestic nonprofit health  
 34.32 maintenance organization through any means unless at the time the offer, request, or

35.1 invitation is made or the agreement is entered into the person has filed with the commissioner  
35.2 and has sent to the health maintenance organization a statement containing the information  
35.3 required in section 60D.17 and the offer, request, invitation, agreement, or acquisition has  
35.4 been approved by the commissioner of health commerce in the manner prescribed in section  
35.5 60D.17.

35.6 Sec. 31. Minnesota Statutes 2024, section 62E.11, subdivision 9, is amended to read:

35.7 Subd. 9. **Special assessment upon termination of individual health coverage.** (a)  
35.8 Each contributing member that terminates individual health coverage for reasons other than  
35.9 ~~(a)~~ (1) nonpayment of premium; ~~(b)~~ (2) failure to make co-payments; ~~(c)~~ (3) enrollee moving  
35.10 out of the area served; or ~~(d)~~ (4) a materially false statement or misrepresentation by the  
35.11 enrollee in the application for membership; and does not provide or arrange for replacement  
35.12 coverage that meets the requirements of section 62D.121; shall pay a special assessment to  
35.13 the state plan based upon the number of terminated individuals who join the comprehensive  
35.14 health insurance plan as authorized under section 62E.14, subdivisions 1, paragraph (d),  
35.15 and 6. Such a contributing member shall pay the association an amount equal to the average  
35.16 cost of an enrollee in the state plan in the year in which the member terminated enrollees  
35.17 multiplied by the total number of terminated enrollees who enroll in the state plan.

35.18 (b) The average cost of an enrollee in the state comprehensive health insurance plan  
35.19 shall be determined by dividing the state plan's total annual losses by the total number of  
35.20 enrollees from that year. This cost will be assessed to the contributing member who has  
35.21 terminated health coverage before the association makes the annual determination of each  
35.22 contributing member's liability as required under this section.

35.23 (c) In the event that the contributing member is terminating health coverage because of  
35.24 a loss of health care providers, the commissioner may review whether or not the special  
35.25 assessment established under this subdivision will have an adverse impact on the contributing  
35.26 member or its enrollees or insureds, including but not limited to causing the contributing  
35.27 member to fall below statutory net worth requirements. If the commissioner determines that  
35.28 the special assessment would have an adverse impact on the contributing member or its  
35.29 enrollees or insureds, the commissioner may adjust the amount of the special assessment,  
35.30 or establish alternative payment arrangements to the state plan. For health maintenance  
35.31 organizations regulated under chapter 62D, the commissioner of health commerce shall  
35.32 make the determination regarding any adjustment in the special assessment ~~and shall transmit~~  
35.33 ~~that determination to the commissioner of commerce.~~

36.1 Sec. 32. Minnesota Statutes 2024, section 62E.11, subdivision 13, is amended to read:

36.2 Subd. 13. **State funding; effect on premium rates of members.** In approving the  
36.3 premium rates as required in sections 62A.65, subdivision 3; and 62L.08, subdivision 8,  
36.4 ~~the commissioners~~ commissioner of health and commerce shall ensure that any appropriation  
36.5 to reduce the annual assessment made on the contributing members to cover the costs of  
36.6 the Minnesota comprehensive health insurance plan as required under this section is reflected  
36.7 in the premium rates charged by each contributing member.

36.8 Sec. 33. Minnesota Statutes 2024, section 62J.40, is amended to read:

36.9 **62J.40 COST CONTAINMENT DATA FROM STATE AGENCIES AND OTHER**  
36.10 **GOVERNMENTAL UNITS.**

36.11 (a) All state departments or agencies that administer one or more health care programs  
36.12 shall provide to the commissioner of health any additional data on the health care programs  
36.13 they administer that is requested by the commissioner of health, including data in  
36.14 unaggregated form, for purposes of developing estimates of spending, setting spending  
36.15 limits, and monitoring actual spending. The data must be provided at the times and in the  
36.16 form specified by the commissioner of health.

36.17 (b) For purposes of estimating total health care spending as provided in section 62J.301,  
36.18 subdivision 4, clause (c), all local governmental units shall provide expenditure data to the  
36.19 commissioner. The commissioner shall consult with representatives of the affected local  
36.20 government units in establishing definitions, reporting formats, and reporting time frames.  
36.21 As much as possible, the data shall be collected in a manner that ensures that the data  
36.22 collected is consistent with data collected from the private sector and minimizes the reporting  
36.23 burden to local government.

36.24 (c) A state agency that purchases health care services, provides oversight over health  
36.25 insurance rates, collects health care taxes, or regulates health care entities must provide to  
36.26 the commissioner nonpublic data the commissioner requests to satisfy statutory duties under  
36.27 sections 62J.301 to 62J.461, 62J.84, 62J.87, 62U.01 to 62U.10, 144.70, 145D.01, and  
36.28 145D.02, with respect to monitoring the health care market, including but not limited to  
36.29 consolidation, transaction, corporate structure, utilization, quality, spending growth, and  
36.30 prescription drug supply chains.

36.31 (d) The commissioner of commerce may request unique or custom data sets from a state  
36.32 agency in a request under paragraph (c). The state agency may charge the commissioner of

37.1 commerce a fee to provide data sets under paragraph (c) at the same rate the state agency  
 37.2 charges another public or private entity for the same data.

37.3 (e) Data provided to the commissioner under paragraph (c) retains the data's original  
 37.4 classification under chapter 13. Data provided to the commissioner under paragraph (c)  
 37.5 may be included in public reports if the data are aggregated and deidentified.

37.6 Sec. 34. Minnesota Statutes 2024, section 62J.60, subdivision 5, is amended to read:

37.7 Subd. 5. **Annual reporting.** As part of an annual filing made with the commissioner of  
 37.8 ~~health or commerce on or after January 1, 2003~~, a group purchaser shall certify compliance  
 37.9 with this section and shall submit to the commissioner of ~~health or commerce~~ a copy of the  
 37.10 Minnesota uniform health care identification card used by the group purchaser.

37.11 Sec. 35. Minnesota Statutes 2024, section 62K.07, subdivision 2, is amended to read:

37.12 Subd. 2. **Prescription drug costs.** (a) Each health carrier that offers a prescription drug  
 37.13 benefit in its individual health plans or small group health plans shall include in the applicable  
 37.14 rate filing required under section 62A.02 the following information about covered prescription  
 37.15 drugs:

37.16 (1) the 25 most frequently prescribed drugs in the previous plan year;

37.17 (2) the 25 most costly prescription drugs as a portion of the individual health plan's or  
 37.18 small group health plan's total annual expenditures in the previous plan year;

37.19 (3) the 25 prescription drugs that have caused the greatest increase in total individual  
 37.20 health plan or small group health plan spending in the previous plan year;

37.21 (4) the projected impact of the cost of prescription drugs on premium rates;

37.22 (5) if any health plan offered by the health carrier requires enrollees to pay cost-sharing  
 37.23 on any covered prescription drugs including deductibles, co-payments, or coinsurance in  
 37.24 an amount that is greater than the amount the enrollee's health plan would pay for the drug  
 37.25 absent the applicable enrollee cost-sharing and after accounting for any rebate amount; and

37.26 (6) if the health carrier prohibits third-party payments including manufacturer drug  
 37.27 discounts or coupons that cover all or a portion of an enrollee's cost-sharing requirements  
 37.28 including deductibles, co-payments, or coinsurance from applying toward the enrollee's  
 37.29 cost-sharing obligations under the enrollee's health plan.

37.30 (b) The commissioner of commerce must share reported data with the commissioner of  
 37.31 health and, in consultation with the commissioner of health, shall release a summary of the

38.1 information reported in paragraph (a) at the same time as the information required under  
38.2 section 62A.02, subdivision 2, paragraph (c).

38.3 Sec. 36. Minnesota Statutes 2024, section 62L.02, subdivision 8, is amended to read:

38.4 Subd. 8. **Commissioner.** "Commissioner" means the commissioner of commerce ~~for~~  
38.5 ~~health carriers subject to the jurisdiction of the Department of Commerce or the commissioner~~  
38.6 ~~of health for health carriers subject to the jurisdiction of the Department of Health, or the~~  
38.7 ~~relevant commissioner's designated representative. For purposes of sections 62L.13 to~~  
38.8 ~~62L.22, "commissioner" means the commissioner of commerce or that commissioner's~~  
38.9 ~~designated representative.~~

38.10 Sec. 37. Minnesota Statutes 2024, section 62L.08, subdivision 11, is amended to read:

38.11 Subd. 11. **Loss ratio standards.** Notwithstanding section 62A.02, subdivision 3, relating  
38.12 to loss ratios, each policy or contract form used with respect to a health benefit plan offered,  
38.13 or issued in the small employer market, is subject, beginning July 1, 1993, to section 62A.021.  
38.14 ~~The commissioner of health has, with respect to carriers under that commissioner's~~  
38.15 ~~jurisdiction, all of the powers of the commissioner of commerce under that section.~~

38.16 Sec. 38. Minnesota Statutes 2024, section 62L.09, subdivision 3, is amended to read:

38.17 Subd. 3. **Reentry prohibition.** (a) Except as otherwise provided in paragraph (b), a  
38.18 health carrier that ceases to do business in the small employer market after July 1, 1993, is  
38.19 prohibited from writing new business in the small employer market in this state for a period  
38.20 of five years from the date of notice to the commissioner. This subdivision applies to any  
38.21 health maintenance organization that ceases to do business in the small employer market  
38.22 in one service area with respect to that service area only. Nothing in this subdivision prohibits  
38.23 an affiliated health maintenance organization from continuing to do business in the small  
38.24 employer market in that same service area.

38.25 (b) The commissioner of commerce ~~or the commissioner of health~~ may permit a health  
38.26 carrier that ceases to do business in the small employer market in this state after July 1,  
38.27 1993, to begin writing new business in the small employer market if:

38.28 (1) since the carrier ceased doing business in the small employer market, legislative  
38.29 action has occurred that has significantly changed the effect on the carrier of its decision to  
38.30 cease doing business in the small employer market; and

38.31 (2) the commissioner deems it appropriate.

39.1 Sec. 39. Minnesota Statutes 2024, section 62L.10, subdivision 4, is amended to read:

39.2 Subd. 4. **Review of premium rates.** The commissioner shall regulate premium rates  
 39.3 charged or proposed to be charged by all health carriers in the small employer market under  
 39.4 section 62A.02. ~~The commissioner of health has, with respect to carriers under that~~  
 39.5 ~~commissioner's jurisdiction, all of the powers of the commissioner of commerce under that~~  
 39.6 ~~section.~~

39.7 Sec. 40. Minnesota Statutes 2024, section 62L.11, subdivision 2, is amended to read:

39.8 Subd. 2. **Enforcement powers.** ~~The commissioners~~ commissioner of health and  
 39.9 ~~commerce each~~ has, for purposes of this chapter, all of ~~each~~ the commissioner's respective  
 39.10 ~~powers under other chapters that are applicable to their respective~~ the commissioner's duties  
 39.11 ~~under this chapter.~~

39.12 Sec. 41. Minnesota Statutes 2024, section 62M.11, is amended to read:

39.13 **62M.11 COMPLAINTS TO COMMERCE ~~OR HEALTH.~~**

39.14 Notwithstanding the provisions of this chapter, an enrollee may file a complaint regarding  
 39.15 an adverse determination directly to the commissioner ~~responsible for regulating the~~  
 39.16 ~~utilization review organization~~ of commerce.

39.17 Sec. 42. Minnesota Statutes 2024, section 62Q.01, subdivision 2, is amended to read:

39.18 Subd. 2. **Commissioner.** "Commissioner" means ~~the commissioner of health for purposes~~  
 39.19 ~~of regulating health maintenance organizations, and community integrated service networks,~~  
 39.20 ~~or~~ the commissioner of commerce for purposes of regulating ~~all other~~ health plan companies.  
 39.21 For all other purposes, "commissioner" means the commissioner of health.

39.22 Sec. 43. Minnesota Statutes 2024, section 62Q.106, is amended to read:

39.23 **62Q.106 DISPUTE RESOLUTION BY COMMISSIONER.**

39.24 (a) A complainant may at any time submit a complaint to the ~~appropriate~~ commissioner  
 39.25 to investigate. After investigating a complaint, or reviewing a company's decision, the  
 39.26 ~~appropriate~~ commissioner may order a remedy as authorized under chapter 45, 60A, or 62D.

39.27 (b) In investigating a complaint filed against a health maintenance organization regarding  
 39.28 a vulnerable adult, upon request, the commissioner of ~~health~~ commerce must interview at  
 39.29 least one family member of the complainant or the subject of the complaint. If the

40.1 complainant or the subject of the complaint does not want any family members to be  
40.2 interviewed, this information will be included in the investigative file.

40.3 Sec. 44. Minnesota Statutes 2024, section 62Q.188, subdivision 2, is amended to read:

40.4 Subd. 2. **Flexible benefits plan.** Notwithstanding any provision of this chapter, chapter  
40.5 363A, or any other law to the contrary, a health plan company may offer, sell, issue, and  
40.6 renew a health plan that is a flexible benefits plan under this section if the following  
40.7 requirements are satisfied:

40.8 (1) the health plan must be offered in compliance with the laws of this state, except as  
40.9 otherwise permitted in this section;

40.10 (2) the health plan must be designed to enable covered persons to better manage costs  
40.11 and coverage options through the use of co-pays, deductibles, and other cost-sharing  
40.12 arrangements;

40.13 (3) the health plan may modify or exclude any or all coverages of benefits that would  
40.14 otherwise be required by law, except for maternity benefits and other benefits required under  
40.15 federal law;

40.16 (4) each health plan and plan's premiums must be approved by the commissioner of  
40.17 ~~health or commerce, whichever is appropriate under section 62Q.01, subdivision 2,~~ but  
40.18 ~~neither~~ the commissioner may not disapprove a plan on the grounds of a modification or  
40.19 exclusion permitted under clause (3); and

40.20 (5) prior to the sale of the health plan, the purchaser must be given a written list of the  
40.21 coverages otherwise required by law that are modified or excluded in the health plan. The  
40.22 list must include a description of each coverage in the list and indicate whether the coverage  
40.23 is modified or excluded. If coverage is modified, the list must describe the modification.  
40.24 The list may, but is not required to, also list any or all coverages otherwise required by law  
40.25 that are included in the health plan and indicate that they are included. The health plan  
40.26 company must require that a copy of this written list be provided, prior to the effective date  
40.27 of the health plan, to each enrollee or employee who is eligible for health coverage under  
40.28 the plan.

40.29 Sec. 45. Minnesota Statutes 2024, section 62Q.37, subdivision 2, is amended to read:

40.30 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
40.31 meanings given them.

41.1 (b) "Commissioner" means the commissioner of ~~health for purposes of regulating health~~  
 41.2 ~~maintenance organizations and community integrated service networks, the commissioner~~  
 41.3 ~~of commerce for purposes of regulating~~ health maintenance organizations and nonprofit  
 41.4 health service plan corporations, or the commissioner of human services for the purpose of  
 41.5 contracting with managed care organizations serving persons enrolled in programs under  
 41.6 chapter 256B or 256L.

41.7 (c) "Health plan company" means (1) a nonprofit health service plan corporation operating  
 41.8 under chapter 62C; (2) a health maintenance organization operating under chapter 62D; (3)  
 41.9 a community integrated service network operating under chapter 62N; or (4) a managed  
 41.10 care organization operating under chapter 256B or 256L.

41.11 (d) "Nationally recognized independent organization" means (1) an organization that  
 41.12 sets specific national standards governing health care quality assurance processes, utilization  
 41.13 review, provider credentialing, marketing, and other topics covered by this chapter and  
 41.14 other chapters and audits and provides accreditation to those health plan companies that  
 41.15 meet those standards. The American Accreditation Health Care Commission (URAC), the  
 41.16 National Committee for Quality Assurance (NCQA), the Joint Commission on Accreditation  
 41.17 of Healthcare Organizations (JCAHO), and the Accreditation Association for Ambulatory  
 41.18 Health Care (AAAHC) are, at a minimum, defined as nationally recognized independent  
 41.19 organizations; and (2) the Centers for Medicare and Medicaid Services for purposes of  
 41.20 reviews or audits conducted of health plan companies under Part C of Title XVIII of the  
 41.21 Social Security Act or under section 1876 of the Social Security Act.

41.22 (e) "Performance standard" means those standards relating to quality management and  
 41.23 improvement, access and availability of service, utilization review, provider selection,  
 41.24 provider credentialing, marketing, member rights and responsibilities, complaints, appeals,  
 41.25 grievance systems, enrollee information and materials, enrollment and disenrollment,  
 41.26 subcontractual relationships and delegation, confidentiality, continuity and coordination of  
 41.27 care, assurance of adequate capacity and services, coverage and authorization of services,  
 41.28 practice guidelines, health information systems, and financial solvency.

41.29 Sec. 46. Minnesota Statutes 2024, section 62Q.47, is amended to read:

41.30 **62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY**  
 41.31 **SERVICES.**

41.32 (a) All health plans, as defined in section 62Q.01, that provide coverage for alcoholism,  
 41.33 mental health, or chemical dependency services, must comply with the requirements of this  
 41.34 section.

42.1 (b) Cost-sharing requirements and benefit or service limitations for outpatient mental  
42.2 health and outpatient chemical dependency and alcoholism services, except for persons  
42.3 seeking chemical dependency services under section 245G.05, must not place a greater  
42.4 financial burden on the insured or enrollee, or be more restrictive than those requirements  
42.5 and limitations for outpatient medical services.

42.6 (c) Cost-sharing requirements and benefit or service limitations for inpatient hospital  
42.7 mental health services, psychiatric residential treatment facility services, and inpatient  
42.8 hospital and residential chemical dependency and alcoholism services, except for persons  
42.9 seeking chemical dependency services under section 245G.05, must not place a greater  
42.10 financial burden on the insured or enrollee, or be more restrictive than those requirements  
42.11 and limitations for inpatient hospital medical services.

42.12 (d) A health plan company must not impose an NQTL with respect to mental health and  
42.13 substance use disorders in any classification of benefits unless, under the terms of the health  
42.14 plan as written and in operation, any processes, strategies, evidentiary standards, or other  
42.15 factors used in applying the NQTL to mental health and substance use disorders in the  
42.16 classification are comparable to, and are applied no more stringently than, the processes,  
42.17 strategies, evidentiary standards, or other factors used in applying the NQTL with respect  
42.18 to medical and surgical benefits in the same classification.

42.19 (e) All health plans must meet the requirements of the federal Mental Health Parity Act  
42.20 of 1996, Public Law 104-204; Paul Wellstone and Pete Domenici Mental Health Parity and  
42.21 Addiction Equity Act of 2008; the Affordable Care Act; and any amendments to, and federal  
42.22 guidance or regulations issued under, those acts.

42.23 (f) The commissioner may require information from health plan companies to confirm  
42.24 that mental health parity is being implemented by the health plan company. Information  
42.25 required may include comparisons between mental health and substance use disorder  
42.26 treatment and other medical conditions, including a comparison of prior authorization  
42.27 requirements, drug formulary design, claim denials, rehabilitation services, and other  
42.28 information the commissioner deems appropriate.

42.29 (g) Regardless of the health care provider's professional license, if the service provided  
42.30 is consistent with the provider's scope of practice and the health plan company's credentialing  
42.31 and contracting provisions, mental health therapy visits and medication maintenance visits  
42.32 shall be considered primary care visits for the purpose of applying any enrollee cost-sharing  
42.33 requirements imposed under the enrollee's health plan.

43.1 (h) All health plan companies offering health plans that provide coverage for alcoholism,  
43.2 mental health, or chemical dependency benefits shall provide reimbursement for the benefits  
43.3 delivered through the psychiatric Collaborative Care Model, which must include the following  
43.4 Current Procedural Terminology or Healthcare Common Procedure Coding System billing  
43.5 codes:

43.6 (1) 99492;

43.7 (2) 99493;

43.8 (3) 99494;

43.9 (4) G2214; and

43.10 (5) G0512.

43.11 This paragraph does not apply to managed care plans or county-based purchasing plans  
43.12 when the plan provides coverage to public health care program enrollees under chapter  
43.13 256B or 256L.

43.14 (i) The commissioner of commerce shall update the list of codes in paragraph (h) if any  
43.15 alterations or additions to the billing codes for the psychiatric Collaborative Care Model  
43.16 are made.

43.17 (j) "Psychiatric Collaborative Care Model" means the evidence-based, integrated  
43.18 behavioral health service delivery method described at Federal Register, volume 81, page  
43.19 80230, which includes a formal collaborative arrangement among a primary care team  
43.20 consisting of a primary care provider, a care manager, and a psychiatric consultant, and  
43.21 includes but is not limited to the following elements:

43.22 (1) care directed by the primary care team;

43.23 (2) structured care management;

43.24 (3) regular assessments of clinical status using validated tools; and

43.25 (4) modification of treatment as appropriate.

43.26 (k) By June 1 of each year, ~~beginning June 1, 2021,~~ the commissioner of commerce, ~~in~~  
43.27 ~~consultation with the commissioner of health,~~ shall submit a report on compliance and  
43.28 oversight to the chairs and ranking minority members of the legislative committees with  
43.29 jurisdiction over health and commerce. The report must:

44.1 (1) describe the commissioner's process for reviewing health plan company compliance  
44.2 with United States Code, title 42, section 18031(j), any federal regulations or guidance  
44.3 relating to compliance and oversight, and compliance with this section and section 62Q.53;

44.4 (2) identify any enforcement actions taken by either commissioner during the preceding  
44.5 12-month period regarding compliance with parity for mental health and substance use  
44.6 disorders benefits under state and federal law, summarizing the results of any market conduct  
44.7 examinations. The summary must include: (i) the number of formal enforcement actions  
44.8 taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the  
44.9 subject matter of each enforcement action, including quantitative and nonquantitative  
44.10 treatment limitations;

44.11 (3) detail any corrective action taken by either commissioner to ensure health plan  
44.12 company compliance with this section, section 62Q.53, and United States Code, title 42,  
44.13 section 18031(j); and

44.14 (4) describe the information provided by either commissioner to the public about  
44.15 alcoholism, mental health, or chemical dependency parity protections under state and federal  
44.16 law.

44.17 The report must be written in nontechnical, readily understandable language and must be  
44.18 made available to the public by, among other means as the commissioners find appropriate,  
44.19 posting the report on department websites. Individually identifiable information must be  
44.20 excluded from the report, consistent with state and federal privacy protections.

44.21 Sec. 47. Minnesota Statutes 2024, section 62Q.51, subdivision 3, is amended to read:

44.22 Subd. 3. **Rate approval.** The premium rates and cost sharing requirements for each  
44.23 option must be submitted to ~~the commissioner of health~~ or the commissioner of commerce  
44.24 as required by law. A health plan that includes lower enrollee cost sharing for services  
44.25 provided by network providers than for services provided by out-of-network providers, or  
44.26 lower enrollee cost sharing for services provided with prior authorization or second opinion  
44.27 than for services provided without prior authorization or second opinion, qualifies as a  
44.28 point-of-service option.

44.29 Sec. 48. Minnesota Statutes 2024, section 62Q.556, subdivision 3, is amended to read:

44.30 Subd. 3. **Annual data reporting.** (a) Beginning April 1, 2024, a health plan company  
44.31 must report annually to the commissioner of ~~health~~ commerce:

45.1 (1) the total number of claims and total billed and paid amounts for nonparticipating  
 45.2 provider services, by service and provider type, submitted to the health plan in the prior  
 45.3 calendar year; and

45.4 (2) the total number of enrollee complaints received regarding the rights and protections  
 45.5 established by the No Surprises Act in the prior calendar year.

45.6 (b) The ~~commissioners~~ commissioner of commerce ~~and health~~ shall develop the form  
 45.7 and manner for health plan companies to comply with paragraph (a).

45.8 Sec. 49. Minnesota Statutes 2024, section 62Q.556, subdivision 4, is amended to read:

45.9 Subd. 4. **Enforcement.** (a) Any provider or facility, including a health care provider or  
 45.10 facility pursuant to section 62A.63, subdivision 2, or 62J.03, subdivision 8, that is subject  
 45.11 to the relevant provisions of the No Surprises Act is subject to the requirements of this  
 45.12 section and section 62J.811.

45.13 (b) The commissioner of commerce ~~or health~~ shall enforce this section.

45.14 (c) If a health-related licensing board has cause to believe that a provider has violated  
 45.15 this section, it may further investigate and enforce the provisions of this section pursuant  
 45.16 to chapter 214.

45.17 Sec. 50. Minnesota Statutes 2024, section 62Q.69, subdivision 2, is amended to read:

45.18 Subd. 2. **Procedures for filing a complaint.** (a) A complainant may submit a complaint  
 45.19 to a health plan company either by telephone or in writing. If a complaint is submitted orally  
 45.20 and the resolution of the complaint, as determined by the complainant, is partially or wholly  
 45.21 adverse to the complainant, or the oral complaint is not resolved to the satisfaction of the  
 45.22 complainant, by the health plan company within ten days of receiving the complaint, the  
 45.23 health plan company must inform the complainant that the complaint may be submitted in  
 45.24 writing. The health plan company must also offer to provide the complainant with any  
 45.25 assistance needed to submit a written complaint, including an offer to complete the complaint  
 45.26 form for a complaint that was previously submitted orally and promptly mail the completed  
 45.27 form to the complainant for the complainant's signature. At the complainant's request, the  
 45.28 health plan company must provide the assistance requested by the complainant. The  
 45.29 complaint form must include the following information:

45.30 (1) the telephone number of the health plan company member services or other  
 45.31 departments or persons equipped to advise complainants on complaint resolution;

45.32 (2) the address to which the form must be sent;

46.1 (3) a description of the health plan company's internal complaint procedure and the  
46.2 applicable time limits; and

46.3 (4) the toll-free telephone number of ~~either the commissioner of health or commerce~~  
46.4 and notification that the complainant has the right to submit the complaint at any time to  
46.5 the ~~appropriate~~ commissioner for investigation.

46.6 (b) Upon receipt of a written complaint, the health plan company must notify the  
46.7 complainant within ten business days that the complaint was received, unless the complaint  
46.8 is resolved to the satisfaction of the complainant within the ten business days.

46.9 (c) Each health plan company must provide, in the member handbook, subscriber contract,  
46.10 or certification of coverage, a clear and concise description of how to submit a complaint  
46.11 and a statement that, upon request, assistance in submitting a written complaint is available  
46.12 from the health plan company.

46.13 Sec. 51. Minnesota Statutes 2024, section 62Q.69, subdivision 3, is amended to read:

46.14 Subd. 3. **Notification of complaint decisions.** (a) The health plan company must notify  
46.15 the complainant in writing of its decision and the reasons for it as soon as practical but in  
46.16 no case later than 30 days after receipt of a written complaint. If the health plan company  
46.17 cannot make a decision within 30 days due to circumstances outside the control of the health  
46.18 plan company, the health plan company may take up to 14 additional days to notify the  
46.19 complainant of its decision. If the health plan company takes any additional days beyond  
46.20 the initial 30-day period to make its decision, it must inform the complainant, in advance,  
46.21 of the extension and the reasons for the extension.

46.22 (b) For group health plans, if the decision is partially or wholly adverse to the  
46.23 complainant, the notification must inform the complainant of the right to appeal the decision  
46.24 to the health plan company's internal appeal process described in section 62Q.70 and the  
46.25 procedure for initiating an appeal.

46.26 (c) For individual health plans, if the decision is partially or wholly adverse to the  
46.27 complainant, the notification must inform the complainant of the right to submit the complaint  
46.28 decision to the external review process described in section 62Q.73 and the procedure for  
46.29 initiating the external review process. Notwithstanding the provisions in this subdivision,  
46.30 a health plan company offering individual coverage may instead follow the process for  
46.31 group health plans outlined in paragraph (b).

47.1 (d) The notification must also inform the complainant of the right to submit the complaint  
47.2 at any time to either the commissioner of health or commerce for investigation and the  
47.3 toll-free telephone number of the appropriate commissioner.

47.4 Sec. 52. Minnesota Statutes 2024, section 62Q.71, is amended to read:

47.5 **62Q.71 NOTICE TO ENROLLEES.**

47.6 Each health plan company shall provide to enrollees a clear and concise description of  
47.7 its complaint resolution procedure, if applicable under section 62Q.68, subdivision 1, and  
47.8 the procedure used for utilization review as defined under chapter 62M as part of the member  
47.9 handbook, subscriber contract, or certificate of coverage. If the health plan company does  
47.10 not issue a member handbook, the health plan company may provide the description in  
47.11 another written document. The description must specifically inform enrollees:

47.12 (1) how to submit a complaint to the health plan company;

47.13 (2) if the health plan includes utilization review requirements, how to notify the utilization  
47.14 review organization in a timely manner and how to obtain authorization for health care  
47.15 services;

47.16 (3) how to request an appeal either through the procedures described in section 62Q.70,  
47.17 if applicable, or through the procedures described in chapter 62M;

47.18 (4) of the right to file a complaint with either the commissioner of health or commerce  
47.19 at any time during the complaint and appeal process;

47.20 (5) of the toll-free telephone number of the appropriate commissioner; and

47.21 (6) of the right, for individual and group coverage, to obtain an external review under  
47.22 section 62Q.73 and a description of when and how that right may be exercised, including  
47.23 that under most circumstances an enrollee must exhaust the internal complaint or appeal  
47.24 process prior to external review. However, an enrollee may proceed to external review  
47.25 without exhausting the internal complaint or appeal process under the following  
47.26 circumstances:

47.27 (i) the health plan company waives the exhaustion requirement;

47.28 (ii) the health plan company is considered to have waived the exhaustion requirement  
47.29 by failing to substantially comply with any requirements including, but not limited to, time  
47.30 limits for internal complaints or appeals; or

47.31 (iii) the enrollee has applied for an expedited external review at the same time the enrollee  
47.32 has applied for internal review under chapter 62M.

48.1 Sec. 53. Minnesota Statutes 2024, section 62Q.73, subdivision 3, is amended to read:

48.2 Subd. 3. **Right to external review.** (a) Any enrollee or anyone acting on behalf of an  
48.3 enrollee who has received an adverse determination may submit a written request for an  
48.4 external review of the adverse determination, if applicable under section 62Q.68, subdivision  
48.5 1, or 62M.06, ~~to the commissioner of health if the request involves a health plan company~~  
48.6 ~~regulated by that commissioner or to the commissioner of commerce if the request involves~~  
48.7 ~~a health plan company regulated by that commissioner.~~ Notification of the enrollee's right  
48.8 to external review must accompany the denial issued by the insurer.

48.9 (b) Nothing in this section requires the commissioner of ~~health or~~ commerce to  
48.10 independently investigate an adverse determination referred for independent external review.

48.11 (c) If an enrollee requests an external review, the health plan company must participate  
48.12 in the external review. The cost of the external review must be borne by the health plan  
48.13 company.

48.14 (d) The enrollee must request external review within six months from the date of the  
48.15 adverse determination.

48.16 Sec. 54. Minnesota Statutes 2024, section 62Q.73, subdivision 10, is amended to read:

48.17 Subd. 10. **Data reporting.** ~~The commissioners~~ commissioner of commerce shall make  
48.18 available to the public, upon request, summary data on the decisions rendered under this  
48.19 section, including the number of reviews heard and decided and the final outcomes. Any  
48.20 data released to the public must not individually identify the enrollee initiating the request  
48.21 for external review.

48.22 Sec. 55. Minnesota Statutes 2024, section 62Q.81, subdivision 7, is amended to read:

48.23 Subd. 7. **Standard plans.** (a) A health plan company that offers individual health plans  
48.24 must ensure that no less than one individual health plan at each level of coverage described  
48.25 in subdivision 1, paragraph (b), clause (3), that the health plan company offers in each  
48.26 geographic rating area the health plan company serves conforms to the standard plan  
48.27 parameters determined by the commissioner under paragraph (e).

48.28 (b) An individual health plan offered under this subdivision must be:

48.29 (1) clearly and appropriately labeled as standard plans to aid the purchaser in the selection  
48.30 process;

49.1 (2) marketed as standard plans and in the same manner as other individual health plans  
49.2 offered by the health plan company; and

49.3 (3) offered for purchase to any individual.

49.4 (c) This subdivision does not apply to catastrophic plans, grandfathered plans, small  
49.5 group health plans, large group health plans, health savings accounts, qualified high  
49.6 deductible health benefit plans, limited health benefit plans, or short-term limited-duration  
49.7 health insurance policies.

49.8 (d) Health plan companies must meet the requirements in this subdivision separately for  
49.9 plans offered through MNsure under chapter 62V and plans offered outside of MNsure.

49.10 (e) The commissioner of commerce, ~~in consultation with the commissioner of health,~~  
49.11 must annually determine standard plan parameters, including but not limited to cost-sharing  
49.12 structure and covered benefits, that comprise a standard plan in Minnesota.

49.13 (f) Notwithstanding section 62A.65, subdivision 2, a health plan company may  
49.14 discontinue offering a health plan under this subdivision if, three years after the date the  
49.15 plan is initially offered, the plan has fewer than 75 enrollees. A health plan company  
49.16 discontinuing a health plan under this paragraph may discontinue a health plan that has  
49.17 fewer than 75 enrollees if it:

49.18 (1) provides notice of the plan's discontinuation in writing, in a form prescribed by the  
49.19 commissioner, to each enrollee of the plan at least 90 calendar days before the date the  
49.20 coverage is discontinued;

49.21 (2) offers on a guaranteed issue basis to each enrollee the option to purchase an individual  
49.22 health plan currently being offered by the health plan company for individuals in that  
49.23 geographic rating area. An enrollee who does not select an option shall be automatically  
49.24 enrolled in the individual health plan closest in actuarial value to the enrollee's current plan;  
49.25 and

49.26 (3) acts uniformly without regard to any health status-related factor of an enrollee or an  
49.27 enrollee's dependents who may become eligible for coverage.

49.28 Sec. 56. Minnesota Statutes 2024, section 62U.04, subdivision 13, is amended to read:

49.29 Subd. 13. **Expanded access to and use of the all-payer claims data.** (a) The  
49.30 commissioner or the commissioner's designee shall make the data submitted under  
49.31 subdivisions 4, 5, 5a, and 5b, including data classified as private or nonpublic, available to:  
49.32 (1) individuals and organizations engaged in research on, or efforts to effect transformation

50.1 in, health care outcomes, access, quality, disparities, or spending, provided the use of the  
 50.2 data serves a public benefit; and (2) the commissioner of commerce, subject to the data use  
 50.3 requirements under subdivision 11, paragraph (b), to perform health insurance oversight  
 50.4 duties.

50.5 (b) Data made available under this subdivision may not be used to:

50.6 (1) create an unfair market advantage for any participant in the health care market in  
 50.7 Minnesota, including health plan companies, payers, and providers;

50.8 (2) reidentify or attempt to reidentify an individual in the data; or

50.9 (3) publicly report contract details between a health plan company and provider and  
 50.10 derived from the data.

50.11 ~~(b)~~ (c) To implement ~~paragraph~~ paragraphs (a) and (b), the commissioner shall:

50.12 (1) establish detailed requirements for data access; a process for data users to apply to  
 50.13 access and use the data; legally enforceable data use agreements to which data users must  
 50.14 consent; a clear and robust oversight process for data access and use, including a data  
 50.15 management plan, that ensures compliance with state and federal data privacy laws;  
 50.16 agreements for state agencies and the University of Minnesota to ensure proper and efficient  
 50.17 use and security of data; and technical assistance for users of the data and for stakeholders;

50.18 (2) develop a fee schedule to support the cost of expanded access to and use of the data,  
 50.19 provided the fees charged under the schedule do not create a barrier to access or use for  
 50.20 those most affected by disparities; and

50.21 (3) create a research advisory group to advise the commissioner on applications for data  
 50.22 use under this subdivision, including an examination of the rigor of the research approach,  
 50.23 the technical capabilities of the proposed user, and the ability of the proposed user to  
 50.24 successfully safeguard the data.

50.25 Sec. 57. Minnesota Statutes 2024, section 62W.06, is amended by adding a subdivision  
 50.26 to read:

50.27 Subd. 4. **Data sharing.** Notwithstanding subdivision 2, paragraph (d), the commissioner  
 50.28 must provide the data under subdivision 2, paragraph (a), to the commissioner of health.  
 50.29 The commissioner of health must maintain data received under this section in a manner  
 50.30 consistent with the data's classification under subdivision 2, paragraph (d).

51.1 Sec. 58. **REVISOR INSTRUCTION.**

51.2 (a) Except as otherwise provided in this act, the revisor of statutes shall substitute the  
 51.3 term "commissioner of commerce" for the term "commissioner of health" wherever the  
 51.4 term appears in (1) Minnesota Statutes, chapters 62D, except section 62D.02, subdivision  
 51.5 12; 62L; and 62Q, except sections 62Q.19 and 62Q.33; (2) Minnesota Statutes, sections  
 51.6 60B.15, 60B.191, 60B.20, 62K.09, 62K.10, 62K.105, 62K.12, 62K.13, 62K.14, 62W.05,  
 51.7 256B.69, and 256B.692; (3) Minnesota Rules, chapters 4685, 2740, 4688; and (4) Minnesota  
 51.8 Rules, part 9510.2020, subparts 3 and 8, item (C). The revisor shall also make any necessary  
 51.9 grammatical changes to verbs or other words to conform with this substitution.

51.10 (b) The revisor of statutes shall remove the term "commissioner of health" wherever the  
 51.11 term appears in Minnesota Rules, chapter 2730.

51.12 **ARTICLE 5**

51.13 **REINSURANCE**

51.14 Section 1. Minnesota Statutes 2024, section 62E.23, subdivision 1, is amended to read:

51.15 Subdivision 1. **Administration of plan.** (a) The association is Minnesota's reinsurance  
 51.16 entity to administer the state-based reinsurance program referred to as the Minnesota premium  
 51.17 security plan.

51.18 (b) The association may apply for any available federal funding for the plan. All funds  
 51.19 received by or appropriated to the association shall be deposited in the premium security  
 51.20 plan account in section 62E.25, subdivision 1. The association shall notify the chairs and  
 51.21 ranking minority members of the legislative committees with jurisdiction over health and  
 51.22 human services and insurance within ten days of receiving any federal funds.

51.23 (c) The association must collect or access data from an eligible health carrier that are  
 51.24 necessary to determine reinsurance payments, according to the data requirements under  
 51.25 subdivision 5, paragraph (c).

51.26 (d) The board must not use any funds allocated to the plan for staff retreats, promotional  
 51.27 giveaways, excessive executive compensation, or promotion of federal or state legislative  
 51.28 or regulatory changes. Nothing in this paragraph prohibits the association from providing  
 51.29 technical assistance or information regarding the association of the Minnesota premium  
 51.30 security plan.

52.1 (e) For each applicable benefit year, the association must notify eligible health carriers  
 52.2 of reinsurance payments to be made for the applicable benefit year no later than June 30 of  
 52.3 the year following the applicable benefit year.

52.4 (f) On a quarterly basis during the applicable benefit year, the association must provide  
 52.5 each eligible health carrier with the calculation of total reinsurance payment requests.

52.6 (g) ~~By August 15 of the year following the applicable benefit year, the association must~~  
 52.7 ~~disburse all applicable reinsurance payments to an eligible health carrier.~~ For benefit year  
 52.8 2027, the commissioner must transfer the total amount of money necessary for the association  
 52.9 to pay all applicable reinsurance payments to each eligible health carrier by August 15,  
 52.10 2028.

52.11 (h) For benefit year 2027, the association must disburse applicable reinsurance payments  
 52.12 to an eligible health carrier no later than August 31, 2028.

52.13 Sec. 2. Minnesota Statutes 2025 Supplement, section 62E.23, subdivision 1a, is amended  
 52.14 to read:

52.15 Subd. 1a. **2028 assessment on group health carriers.** (a) An assessment is imposed in  
 52.16 calendar year 2028 on group health carriers operating ~~under the~~ in Minnesota ~~premium~~  
 52.17 ~~security plan in~~ during benefit year 2027. This is a onetime assessment.

52.18 (b) By May 1, 2028, the association must provide each group health carrier with an  
 52.19 estimate of the carrier's assessment under paragraph (a).

52.20 (c) By June 30, 2028, the association must ~~notify each group health carrier of the carrier's~~  
 52.21 ~~assessment amount under paragraph (a).~~ The association must determine propose each  
 52.22 carrier's assessment amount, in consultation with the commissioner, based on the group  
 52.23 health carrier's portion of the total premiums for group health plans written in Minnesota  
 52.24 for benefit year 2027. The commissioner must approve the carrier's assessment amount.  
 52.25 ~~The association must establish the final~~ assessment amount for each group health plan so  
 52.26 must ensure that the aggregate assessment amount collected from group health plans under  
 52.27 this subdivision equals the amount necessary for the appropriations and transfers under  
 52.28 section 62E.25, subdivision 1. By July 25, 2028, the association must notify each group  
 52.29 health carrier of the carrier's proposed assessment amount under paragraph (a).

52.30 (d) Subject to paragraph (e), each group health carrier must pay the assessment under  
 52.31 paragraph (a) to the ~~association~~ commissioner by August ~~1~~ 29, 2028, for deposit in the  
 52.32 premium security plan account created under section 62E.25. A group health plan must pay  
 52.33 the assessment in the manner determined by the commissioner.

53.1 (e) A group health carrier may apply to the commissioner to defer all or part of the  
 53.2 assessment imposed under paragraph (a). The application must be submitted to the  
 53.3 commissioner by May 15, 2028. The commissioner may defer all or part of the assessment  
 53.4 if the commissioner determines the payment of the assessment places the group health  
 53.5 carrier in a financially impaired condition. The commissioner may deny an application for  
 53.6 deferral under this paragraph. No later than June 15, 2028, the commissioner must notify  
 53.7 the association and the group health carrier whether the assessment deferral is approved or  
 53.8 denied. If the commissioner approves the deferral request, the notice must include the amount  
 53.9 of and due date for the deferred portion of the assessment. If all or part of the assessment  
 53.10 is deferred, the association must include the amount deferred in the other group health  
 53.11 carriers' assessments in a proportionate manner consistent with this subdivision. ~~The A~~  
 53.12 group health carrier that receives a deferral is liable to the ~~association~~ commissioner for the  
 53.13 amount deferred and is prohibited from receiving or becoming entitled to a reinsurance  
 53.14 payment under the Minnesota premium security plan until the group health carrier has paid  
 53.15 the deferred assessment.

53.16 (f) If the association determines the assessment imposed under paragraph (a) exceeds  
 53.17 or is less than the amount necessary to operate and administer the Minnesota premium  
 53.18 security plan and issue reinsurance payments, the association must require group health  
 53.19 carriers to pay an additional amount or the association must issue a refund to the group  
 53.20 health carriers. The association must determine the accuracy of the assessment by ~~May 30~~  
 53.21 March 15, 2029.

53.22 ~~(g) By August 15, 2028, the association must remit the assessments collected under this~~  
 53.23 ~~subdivision to the commissioner for deposit in the premium security plan account created~~  
 53.24 ~~under section 62E.25.~~

53.25 Sec. 3. Minnesota Statutes 2025 Supplement, section 62E.23, subdivision 2, is amended  
 53.26 to read:

53.27 Subd. 2. **Payment parameters.** (a) The board must design and adjust the payment  
 53.28 parameters to ensure the payment parameters:

53.29 (1) will stabilize or reduce premium rates in the individual market;

53.30 (2) will increase participation in the individual market;

53.31 (3) will improve access to health care providers and services for those in the individual  
 53.32 market;

54.1 (4) mitigate the impact high-risk individuals have on premium rates in the individual  
54.2 market;

54.3 (5) take into account any federal funding available for the plan;

54.4 (6) for benefit year 2027, take into account the assessment under subdivision 1a;

54.5 (7) ensure the premium security plan account created under section 62E.25, subdivision  
54.6 1, has sufficient money to ensure MNsure's stable operation after taking into account the  
54.7 Minnesota premium security plan's effect on MNsure's funding; and

54.8 (8) take into account the total amount available to fund the plan.

54.9 (b) The attachment point for the plan is the threshold amount for claims costs incurred  
54.10 by an eligible health carrier for an enrolled individual's covered benefits in a benefit year,  
54.11 beyond which the claims costs for benefits are eligible for reinsurance payments. The  
54.12 attachment point shall be set by the board at \$50,000 or more, but not exceeding the  
54.13 reinsurance cap.

54.14 (c) The coinsurance rate for the plan is the rate at which the association will reimburse  
54.15 an eligible health carrier for claims incurred for an enrolled individual's covered benefits  
54.16 in a benefit year above the attachment point and below the reinsurance cap. The coinsurance  
54.17 rate shall be set by the board at a rate between 50 and 80 percent.

54.18 (d) The reinsurance cap is the threshold amount for claims costs incurred by an eligible  
54.19 health carrier for an enrolled individual's covered benefits, after which the claims costs for  
54.20 benefits are no longer eligible for reinsurance payments. The reinsurance cap shall be set  
54.21 by the board at \$250,000 or less.

54.22 (e) The board may adjust the payment parameters to the extent necessary to secure  
54.23 federal approval of the state innovation waiver request in Laws 2017, chapter 13, article 1,  
54.24 section 8.

54.25 (f) For purposes of paragraph (a), clause (7), the ~~association~~ commissioner must consult  
54.26 with the commissioner of management and budget and the board of directors of MNsure to  
54.27 determine the amount of funding necessary to ensure MNsure's stable operation.

54.28 Sec. 4. Minnesota Statutes 2025 Supplement, section 297I.20, subdivision 7, is amended  
54.29 to read:

54.30 Subd. 7. **Reinsurance credit.** Beginning with taxable years after December 31, 2028,  
54.31 a taxpayer may claim a credit against the premiums tax imposed under this chapter equal  
54.32 to the amount of the assessment paid by the taxpayer under section 62E.23 in the immediately

55.1 preceding calendar year. If the amount of the credit exceeds the liability for tax under this  
55.2 chapter, the commissioner must refund the excess to the ~~insurance company~~ taxpayer. An  
55.3 amount sufficient to pay the refunds under this section is appropriated to the commissioner  
55.4 from the general fund. The credit under this subdivision does not affect the calculation of  
55.5 fire state aid under section 477B.03 and police state aid under section 477C.03. The  
55.6 commissioner of commerce must annually provide to the commissioner a list of assessments  
55.7 paid by taxpayers under section 62E.23 by March 1 of the calendar year following the  
55.8 assessment.

55.9 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
55.10 31, 2028.