

HOUSE RESEARCH

Bill Summary

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Authors: Bigham
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Analyst: Tom Pender (651) 296-1885

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Overview

This bill gives minors who legally own a private passenger vehicle the right to contract for insurance on the vehicle, on the same basis as an adult. The bill does not require insurance companies to sell insurance to minors.

Section

- 1** **Minors.** Gives a minor who is allowed under state law to own a private passenger vehicle the legal power to contract for insurance on that vehicle, on the same basis as if the minor were an adult. The result is that the minor can choose to give up the common law protections that permit minors to “disaffirm” a contract under certain circumstances. (The term “plan of reparation security” used in this bill is what Minnesota Statutes use to refer to auto insurance.)

[Background: Under existing MN law in section 168.101, a minor may own a vehicle if the minor:

- (1) is at least age 17 and has completed an approved driver training course;
- (2) is at least age 17 and is a high school graduate;
- (3) is an employed, emancipated minor who holds a MN driver’s license; or
- (4) became owner of the vehicle while a resident of a foreign country, and the vehicle is registered in the minor’s name there.]