

Subject Commerce Omnibus Policy Bill

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## Article 1: Financial Institutions

### Section Description - Article 1: Financial Institutions

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- 1 **Exceptions and exemptions.**  
Corrects cross-reference.
- 2 **Definitions.**  
States that a loan that meets the Federal Qualified Mortgage standards in the Code of Federal Regulations is not subject to the service charge limitations in this section.
- 3 **Maximum interest rate.**  
Updates the index that is referenced to determine the average prime rate for purposes of real property loans.
- 4 **Conventional loan provisions.**  
Allows a lender making a mortgage loan to give notice of default via first-class mail (instead of certified) and electronically, if agreed to by the borrower and lender in writing.
- 5 **Transfer of accounts prohibited; notice on closing.**  
Allows a financial institution, if notice is provided, to close a deposit account if the holder has engaged harassment towards the financial institution's employees or customers.
- 6 **Maintenance of permissible investments.**  
Corrects cross-reference.
- 7 **Safe deposit lease; automatic renewal.**  
Allows a safe deposit lease to renew automatically at the end of the lease's term.  
Allows a consumer to terminate a lease at any time in writing, or as otherwise provided in the lease.
- 8 **Lender.**  
Corrects cross-reference.

**Section Description - Article 1: Financial Institutions**

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- 9        **Contracts of \$100,000 or more.**  
Makes technical change.
- 10       **Postponement by mortgagee.**  
Allows a mortgagee (the lender or financial institution holding the mortgage) to postpone a foreclosure in a foreclosure by action (a foreclosure that was brought in court), using the same process as a sale is postponed in a foreclosure that does not go through the court.  
  
**Effective date.** Effective August 1, 2025.
- 11       **Postponement by mortgagor or owner.**  
Allows a homeowner or the person responsible for the mortgage to postpone a foreclosure sale in a foreclosure by action (a foreclosure that was brought in court), in the same way it would be done in a foreclosure that does not go through the court.  
  
**Effective date.** Effective August 1, 2025.
- 12       **Application, certain sections.**  
Clarifies that the postponement of foreclosure sale statutes that apply to nonjudicial foreclosure also apply to judicial foreclosures.
- 13       **Certain compliance optional.**  
States that a lender’s compliance with section 47.20, subdivision 8, is optional for conventional mortgage documents dated between August 1, 2024, and July 31, 2025.  
  
**Effective date.** This section is effective retroactively from July 31, 2024.

## **Article 2: Insurance**

**Section Description - Article 2: Insurance**

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- 1        **Guaranteed renewal.**  
Allows a health carrier to refuse to renew an individual health plan under certain circumstances.

**Section Description - Article 2: Insurance**

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- 2        **Discontinuing of individual health plan.**  
Allows a health carrier to discontinue a specific type of individual health plan with the commissioner of commerce's approval if certain notification and purchase option requirements are met.
- 3        **Coverage cancellation; nonrenewal.**  
Adds cross-reference and clarifying language.
- 4        **Cancellation or nonrenewal notice.**  
Adds cross-reference.
- 5        **Replacement coverage.**  
Adds clarifying language.
- 6        **Contract.**  
Allows the commissioners of health and commerce to contract with more than one (versus a minimum of 3) businesses to provide independent external reviews of adverse determinations.
- 7        **Participation ratio.**  
Makes clarifying change.
- 8        **Power of facility, governing committee.**  
Allows the facility to: (1) issue policies or cause policies to be issued in the name of the Minnesota automobile insurance plan to applicants; (2) underwrite insurance and adjust and pay losses; and (3) retain, hire, or appoint persons to perform the functions under clauses (1) and (2).
- 9        **Distribution of private passenger, nonfleet auto risks.**  
Allows the facility to provide for members to share premiums, losses, costs, and expenses.
- 10       **Private passenger; nonfleet auto coverage.**  
Makes clarifying change.
- 11       **Other auto coverage.**  
Requires the facility to provide for the equitable sharing of premiums, losses costs, and expenses.
- 12       **Termination of eligibility.**  
Makes technical change.

**Section Description - Article 2: Insurance**

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**13 Availability of current policy.**

Requires an insurer that issues an auto or homeowner's policy to provide the insured with a copy of the policy if requested by the insured. The insurer must provide the copy within 21 days of the request and can provide it in paper form, electronically, or via website.

**14 Repealer.**

Repeals section 65B.10, subd. 3.

## **Article 3: Limited Long-Term Care Insurance**

**Section Description - Article 3: Limited Long-Term Care Insurance**

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**1 [62A.481] Limited long-term care insurance.**

This is the NAIC model Limited Long-Term Care Insurance Act. Limited long-term care insurance is insurance that provides coverage for less than 12 months and covers diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services. Policies can be issued to individuals or groups and the act contains requirements related to cancellation and termination, waiting periods, conversion of coverage, and disclosures.

**Effective date.** This section is effective January 1, 2026.

## **Article 4: Medicare Supplement Insurance**

**Section Description - Article 4: Medicare Supplement Insurance**

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**1 Policy requirements.**

Updates cross-reference.

**2 Suspension based on entitlement to medical assistance.**

Allows for a preexisting condition waiting period.

**3 Limitations on denials, conditions, and pricing of coverage.**

Allows a preexisting condition limitation to apply to Medicare supplement policies during the open enrollment period.

**Section Description – Article 4: Medicare Supplement Insurance**

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- 4        **Renewal or continuation provisions.**  
Requires a Medicare supplement policy that contains preexisting condition limitations to appear as a separate paragraph and be titled.
- 5        **Guaranteed issue for eligible persons.**  
Removes the requirement that for certain eligible people the open enrollment period is a guaranteed issue period.
- 6        **Prohibited policy provisions.**  
Updates cross-reference.
- 7        **Questions.**  
Updates notice form to explain preexisting condition limitations and waiting periods.
- 8        **Repealer.**  
Repeals Minnesota Statutes, section 62A.3099, subdivision 18b and section 62A.31, subdivision 1w; and Laws 2023, chapter 57, article 2, section 66.
- 9        **Effective date.**  
Sections 1 to 8 are effective the day following final enactment.

**Article 5: Insurance Holding Company Systems**

**Section Description - Article 5: Insurance Holding Company Systems**

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- 1 - 22    These sections modify the National Association of Insurance Commissioners (NAIC) model Insurance Holding Company System Regulatory Act. The sections add group capital calculation and liquidity stress test frameworks that the commissioner of commerce can use to understand the financial condition of insurance holding companies and the related insurance companies.

**Article 6: Minnesota Business Corporations Act**

**Section Description - Article 6: Minnesota Business Corporations Act**

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- 1        **Beneficial owner; beneficial ownership.**  
Adds clarifying language.

**Section Description - Article 6: Minnesota Business Corporations Act**

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- 2        **Defective corporate act.**  
Provides definition.
- 3        **Emergency.**  
Provides definition.
- 4        **Failure of authorization.**  
Provides definition.
- 5        **Overissue.**  
Provides definition.
- 6        **Putative shares.**  
Provides definition.
- 7        **Time of defective corporate act.**  
Provides definition.
- 8        **Validation effective time.**  
Provides definition.
- 9        **Valid Shares.**  
Provides definition.
- 10       **Statutory provisions that may be modified only in articles or in a shareholder control agreement.**  
Adds when the corporation's business and affairs must be managed by or under the board's direction (section 302A.201).
- 11       **Emergency powers.**  
Provides default requirements relating to notice for meetings of directors and shareholders in an emergency.
- 12       **[302A.166] Defective corporate acts and shares; ratification.**  
      **Subd. 1. Effect of ratification or validation.** States that a defective corporate act or putative share is not void or voidable if it is ratified under this section or validated by a court proceeding.  
  
      **Subd. 2. Board approval; generally.** Provides how a board can ratify a defective corporate act, other than ratifying an election of the first board of directors.

**Section Description - Article 6: Minnesota Business Corporations Act**

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**Subd. 3. Board approval; election of first board.** Provides process to ratify a defective corporate act in respect to the election of the first board of directors.

**Subd. 4. Shareholder approval; when required.** Specifies when a defective corporate act must be submitted for approval by the shareholders.

**Subd. 5. Shareholder approval; process.** Provides process to ratify a defective corporate act that must be submitted to the shareholders.

**Subd. 6. Certificate of validation.** Describes circumstances under which a certificate of validation must be filed with the secretary of state. Provides requirements for contents of certificate of validation.

**Subd. 7. Retroactive effect.** Provides that after the validation effective time, ratified defective corporate acts and putative shares are no longer void or voidable and are effective retroactively.

**Subd. 8. Postratification notice.** Provides timing and content requirements for notice to shareholders of ratification of defective corporate act.

13 **[302A.167] Validity of defective corporate acts and shares; proceedings.**

**Subd. 1. When permitted.** Provides a system for court review of a ratification.

**Subd. 2. Remedies.** Provides possible court remedies for an action related to a ratification.

**Subd. 3. Service.** States when service of process occurs.

**Subd. 4. Consideration.** Allows the court to consider certain information when making a determination in an action related to a ratification.

**Subd. 5. Statute of limitations.** Creates statute of limitation for an action related to a ratification.

14 **Emergency bylaws.**

Provides information to be included in emergency bylaws.

15 **Board to manage.**

Allows articles of incorporation to limit board powers if certain requirements are met.

**Section Description - Article 6: Minnesota Business Corporations Act**

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- 16      **Agreements and other instruments; authorization.**  
Allows a board of directors to ratify an agreement when a certificate must be filed with the secretary of state.
- 17      **Liability; elimination or limitation.**  
Allows the articles of incorporation to limit an officer's personal liability, subject to certain limitations.
- 18      **Right to inspect.**  
Allows a court to require a corporation that violates this section to allow for inspection and award expenses to the plaintiff.
- 19      **Actions creating rights.**  
Allows a shareholder to dissent and obtain payment for their shares if the corporation diminishes or abolishes the boards right to manage the corporation.
- 20      **Rights not to apply.**  
Makes technical change.
- 21      **Additional remedies; shareholder representatives.**  
Allows a plan of merger or exchange to include penalties for party's failure to perform its obligations and that an appointment is irrevocable and unamendable.

**Article 7: Miscellaneous Commerce Provisions**

**Section Description - Article 7: Miscellaneous Commerce Provisions**

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- 1      **Definitions.**  
Updates cross-references to the ASTM (American Society for Testing and Materials) specifications.
- 2      **General powers.**  
Allows the commissioner of commerce to issue data calls, meaning a request for an entity to provide data or other information for a regulatory oversight purpose. Clarifies that a data call is not market analysis and is not subject to section 60A.033.
- 3      **1b. Data calls.**  
(a) Classifies data received by the commissioner under section 1 as nonpublic and not subject to subpoena. Allows the commissioner to make data call results public in an aggregated format and in a way that does not include the identity of the respondent.

**Section Description - Article 7: Miscellaneous Commerce Provisions**

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Requires the commissioner to make the aggregated data available for review by the respondents at least 15 days prior to release to the public. Clarifies that data calls for the NAIC Market Conduct Annual Statement is confidential as provided under section 60A.031, subdivision 4, paragraph (f).

(b) Allows the commissioner to grant access to data call information submitted by insurers with other state, federal, and international agencies and law enforcement authorities and the NAIC. This is allowed if the recipient of the data agrees to maintain the data as nonpublic.

**4 Power to compel production of evidence.**

Allows the commissioner to issue data calls for the purpose of an investigation, hearing, proceeding, or inquiry.

**5 License technology fees.**

Changes language to make it permissive, instead of obligatory, for the commissioner of commerce to increase or decrease the license and technology fee surcharge if the related special revenue fund is too low or too high, but cannot exceed \$2 million.

**6 Section 411; postregistration requirements.**

Adds reference to the North American Securities Administrators Association and commissioner of commerce.

**7 Unlawful acts by manufacturers, distributors, or factory branches.**

Does not allow a manufacturer, distributor, or factory branch to prohibit a new motor vehicle dealer from participating in an auto show.

**Effective date.** This section is effective the day following final enactment.

**8 Out-of-state continuing education credit.**

Allows a continuing education course provider to submit a form to the commissioner to receive approval for credit for a synchronous educational offering within 60 days of its occurrence.

**9 Participation in auto shows.**

Allows a new motor vehicle dealer to participate in an auto show outside of the county where the dealer maintains its license to sell new vehicles without obtaining an additional license if certain requirements are met.

**Effective date.** This section is effective the day following final enactment.

**Section Description - Article 7: Miscellaneous Commerce Provisions**

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- 10      **Gasoline.**  
Updates cross-references to the ASTM specifications.
- 11      **Gasoline blended with ethanol; general.**  
Updates cross-references to the ASTM specifications.
- 12      **Denatured ethanol.**  
Updates cross-references to the ASTM specifications.
- 13      **Gasoline blended with nonethanol oxygenate.**  
Updates cross-references to the ASTM specifications.
- 14      **Exemption for motor sports racing.**  
Allows a retail gasoline station to have one storage tank for nonoxygenated motor sports racing fuel. Requires the pump stand to have a sign stating: "FOR USE IN OFF-HIGHWAY MOTOR SPORTS ENGINES ONLY."
- 15      **Ethanol, denatured.**  
Updates cross-references to the ASTM specifications.
- 16      **Gasoline.**  
Updates cross-references to the ASTM specifications.
- 17      **Gasoline blended with nonethanol oxygenate.**  
Updates cross-references to the ASTM specifications.
- 18      **[325F.677] Availability of water at places of entertainment.**  
    **Subd. 1. Definition.** Defines "place of entertainment."  
  
    **Subd. 2. Available water requirement.** Requires places of entertainment to allow water, provide water, or allow empty water bottles to be filled, when there are more than 100 attendees and tickets are required.  
  
    **Subd. 3. Exceptions.** Allows museum exhibit galleries and presentation spaces to prohibit water if water is available at no cost outside that area.
- 19      **Securities broker-dealer conduct; expedited rulemaking.**  
Requires the commissioner of commerce to amend rules reflecting that NASD (National Association of Securities Dealers) is now FINRA (Financial Industry Regulatory Authority). Allows the commissioner to use the expedited rulemaking process.

**Section Description - Article 7: Miscellaneous Commerce Provisions**

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- 20      **Repealer.**  
Repeals sections 325F.02 to 325F.07.



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