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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **1022**

February 15, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act  
1.2 relating to insurance; no-fault auto; regulating rental vehicle coverages;  
1.3 amending Minnesota Statutes 2006, section 65B.49, subdivision 5a.

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

1.5 Section 1. Minnesota Statutes 2006, section 65B.49, subdivision 5a, is amended to read:

1.6 Subd. 5a. **Rental vehicles.** (a) Every plan of reparation security insuring a natural  
1.7 person as named insured, covering private passenger vehicles as defined under section  
1.8 65B.001, subdivision 3, and pickup trucks and vans as defined under section 168.011 must  
1.9 provide that all of the obligation for damage and loss of use to a rented private passenger  
1.10 vehicle, including pickup trucks and vans as defined under section 168.011, and rented  
1.11 trucks with a registered gross vehicle weight of 26,000 pounds or less would be covered  
1.12 by the property damage liability portion of the plan. This subdivision does not apply to  
1.13 plans of reparation security covering only motor vehicles registered under section 168.10,  
1.14 subdivision 1a, 1b, 1c, or 1d, or recreational vehicles as defined under section 168.011.  
1.15 The obligation of the plan must not be contingent on fault or negligence. In all cases  
1.16 where the plan's property damage liability coverage is less than \$35,000, the coverage  
1.17 available under the subdivision must be \$35,000. Other than as described in this paragraph  
1.18 or in paragraph (j), nothing in this section amends or alters the provisions of the plan of  
1.19 reparation security as to primacy of the coverages in this section.

1.20 (b) A vehicle is rented for purposes of this subdivision:

1.21 (1) if the rate for the use of the vehicle is determined on a monthly, weekly, or  
1.22 daily basis; or





