

1.1 **Department of Commerce**

1.2 **Proposed Expedited Permanent Rules Relating to Automobile Self Insurance**

1.3 **2770.6200 DEFINITIONS.**

1.4 *[For text of subparts 1 to 9, see Minnesota Rules]*

1.5 Subp. 10. **Working capital.** "Working capital" means current assets minus current  
1.6 liabilities as stated in the balance sheet of the applicant's certified financial statements.

1.7 **2770.6500 AUTHORIZATION STANDARDS.**

1.8 *[For text of subpart 1, see Minnesota Rules]*

1.9 **Subp. 2. All other applicants.** The commissioner shall grant self-insurance authority  
1.10 to an applicant that is not a political subdivision if the following conditions are satisfied:

1.11 A. the applicant satisfies subpart 1, item B;

1.12 B. either the applicant alone or the parent company alone:

1.13 *[For text of subitems (1) to (4), see Minnesota Rules]*

1.14 (5) had positive ~~net funds flow~~ working capital during the last five-year period  
1.15 and in at least three of those years; and

1.16 C. neither the applicant nor its parent company, if one exists, has sought protection  
1.17 under the United States Bankruptcy Code during the last three years; ~~and~~.

1.18 ~~D. the funds flow~~ Notwithstanding the conditions under items A to C, the  
1.19 commissioner may grant self-insurance authority to an applicant that is not a political  
1.20 subdivision and that has not had positive working capital in at least three years of the last  
1.21 five-year period if the working capital, debt structure, profitability, and overall financial  
1.22 integrity of the applicant and its parent company, if one exists, demonstrate a continuing  
1.23 ability of the applicant to satisfy any financial obligations that have been and might be  
1.24 incurred under the no-fault act.

2.1 **2770.7300 REVOCATION OF SELF-INSURANCE AUTHORITY.**

2.2 The commissioner ~~shall~~ may revoke a self-insurer's authorization to self-insure:

2.3 *[For text of items A and B, see Minnesota Rules]*