

1.1 CONFERENCE COMMITTEE REPORT ON H. F. No. 2899

1.2 A bill for an act

1.3 relating to insurance; requiring notification of the statutory prohibition against
1.4 payment of rebates or deductibles by residential contractors; amending Minnesota
1.5 Statutes 2016, section 325E.66, subdivision 1.

1.6 May 19, 2018

1.7 The Honorable Kurt L. Daudt
1.8 Speaker of the House of Representatives

1.9 The Honorable Michelle L. Fischbach
1.10 President of the Senate

1.11 We, the undersigned conferees for H. F. No. 2899 report that we have agreed upon the
1.12 items in dispute and recommend as follows:

1.13 That the Senate recede from its amendments and that H. F. No. 2899 be further amended
1.14 as follows:

1.15 Delete everything after the enacting clause and insert:

1.16 "Section 1. Minnesota Statutes 2016, section 325E.66, subdivision 1, is amended to read:

1.17 Subdivision 1. **Payment or rebate of insurance deductible.** A residential contractor
1.18 providing home repair or improvement services to be paid by an insured from the proceeds
1.19 of a property or casualty insurance policy shall not, as an inducement to the sale or provision
1.20 of goods or services to an insured, advertise or promise to pay, directly or indirectly, all or
1.21 part of any applicable insurance deductible or offer to compensate an insured for providing
1.22 any service to the insured. If a residential contractor violates this section, the insurer to
1.23 whom the insured tendered the claim shall not be obligated to consider the estimate prepared
1.24 by the residential contractor. The residential contractor must provide a written notification
1.25 of the requirements of this section with its initial estimate. The adjuster or insurer must
1.26 provide a written notification of the requirements of this section in the initial estimate relating
1.27 to the claim.

2.1 For purposes of this section, "residential contractor" means a residential roofer, as defined
 2.2 in section 326B.802, subdivision 14; a residential building contractor, as defined in section
 2.3 326B.802, subdivision 11; and a residential remodeler, as defined in section 326B.802,
 2.4 subdivision 12.

2.5 **Sec. 2. [325I.08] VIDEO GAMES; PROBABILITY RATES; DISCLOSURE.**

2.6 **Subdivision 1. Disclosure.** Video game publishers that distribute video games that
 2.7 contain a system of further purchasing of (1) a randomized reward or rewards, or (2) a
 2.8 consumable virtual item that can be redeemed and directly or indirectly converted to a
 2.9 randomized reward or rewards shall prominently disclose and publish to the consumer the
 2.10 probability rates of receiving each type of randomized reward or rewards at the time of
 2.11 purchase and at the time any mechanism to receive a randomized reward or rewards is
 2.12 activated so as to meaningfully inform the consumer's decision prior to the purchase or
 2.13 activation of any mechanism to receive a randomized reward or rewards.

2.14 **Subd. 2. Definitions.** (a) For purposes of this section, the terms in paragraphs (b) and
 2.15 (c) have the meanings given.

2.16 (b) "Video game" means an object or device that stores recorded data or instructions,
 2.17 receives data or instructions generated by a person who uses it, and, by processing the data
 2.18 or instructions, creates an interactive game capable of being played, viewed, or experienced
 2.19 on or through a computer, gaming system, console, or other technology.

2.20 (c) "Video game publisher" means an entity that publishes video games that have either
 2.21 been created internally or through a separate entity.

2.22 **Subd. 3. Enforcement.** The attorney general shall enforce this section under section
 2.23 8.31.

2.24 **EFFECTIVE DATE.** This section is effective July 1, 2020, and applies to video games
 2.25 sold on or after that date.

2.26 **Sec. 3.** Minnesota Statutes 2016, section 326B.805, subdivision 3, is amended to read:

2.27 **Subd. 3. Prohibition.** Except as provided in subdivision 6, no persons required to be
 2.28 licensed by subdivision 1 may act or hold themselves out as a residential building contractor,
 2.29 residential remodeler, residential roofer, or manufactured home installer for compensation
 2.30 without a license issued by the commissioner. Unlicensed residential building contractor,
 2.31 residential remodeler, or residential roofer activity is a gross misdemeanor."

2.32 Delete the title and insert:

3.1 "A bill for an act
3.2 relating to consumer protection; regulating certain disclosures and notifications;
3.3 requiring notification to insureds of the statutory prohibition against payment of
3.4 rebates or deductibles by residential contractors; requiring certain video game
3.5 disclosures; providing a criminal penalty; amending Minnesota Statutes 2016,
3.6 sections 325E.66, subdivision 1; 326B.805, subdivision 3; proposing coding for
3.7 new law in Minnesota Statutes, chapter 325I."

4.1 We request the adoption of this report and repassage of the bill.

4.2 House Conferees:

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4.4 Jeff Howe Jim Nash

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4.6 Diane Loeffler

4.7 Senate Conferees:

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4.9 Karin Housley Gary H. Dahms

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4.11 David J. Tomassoni