

CHAPTER 514—S.F.No. 2130

An act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

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

Section 1. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 4. PROHIBITED PRACTICES. No public adjuster shall:

(1) pay money or give anything of value to a person in consideration of a direct or indirect referral of a client or potential client;

(2) pay money or give anything of value to a person as an inducement to refer business or clients;

(3) rebate to a client a part of a fee specified in an employment contract;

(4) initiate contact with a prospective client between the hours of 8 p.m. and 8 a.m.;

(5) split the fee received or pay money to a person for services rendered to a client unless the other person is also licensed as a public adjuster;

(6) have an interest directly or indirectly in a construction firm, salvage firm, or appraisal firm. "Firm" includes a corporation, partnership, association, or individual firm;

(7) in connection with the transaction of business as a public adjuster, make a willful or knowing misrepresentation of facts or advise a person on questions of law;

(8) make willful or knowing false statements about an insurance company or its employees, agents, or representatives;

(9) solicit employment of a client in connection with a loss that is the subject of an employment contract with another public adjuster;

(10) represent both an insurer and insured simultaneously; or

(11) advance money to a client pending the settlement of a loss where the amount would be included in a final settlement.

Sec. 2. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 5. DISCLOSURES. (a) A public adjuster shall disclose in writing to the client any interest the public adjuster has in loss proceeds other than those acquired by the public adjuster's employment contract.

New language is indicated by underline, deletions by ~~strikeout~~.

(b) A public adjuster in soliciting a client for employment shall display a license and immediately inform the client that the adjuster does not represent an insurance company or insurance company adjusting firm. The adjuster shall inform the client that services are available for a fee to be paid by the client, and shall give the client a card identifying the public adjuster. The public adjuster shall disclose in writing to the client the fee charged by the public adjuster.

Sec. 3. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 6. RECORDS; CONTRACTS. (a) A public adjuster shall maintain an office that contains the records of all documents pertaining to the settlement of the claim and files of all clients. The records must be available for inspection by an authorized examiner or employee of the commerce department. The records will be kept by the public adjuster for at least five years after the end of the contracted employment period.

(b) An employment contract used by a public adjuster is valid only if signed by an insured and the property owner of the property involved, or an authorized agent or representative.

Presented to the governor April 24, 1990

Signed by the governor April 26, 1990, 10:06 p.m.

CHAPTER 515—S.F.No. 2299

An act relating to trade and economic development; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Section 1. CITATION.

This act may be cited as the "Minnesota natural wild rice preservation act of 1990" or "Manomin act."

Sec. 2. [116J.645] MINNESOTA NATURAL WILD RICE PROMOTION ADVISORY COUNCIL.

The Minnesota natural wild rice promotion advisory council is established for the promotion and marketing of hand-harvested natural lake or river wild rice. The commissioner of trade and economic development, with recommendations from American Indian tribes as defined in section 254B.01, subdivision 2, shall appoint the members of the advisory council. The advisory council must include representatives of natural wild rice hand harvesters, natural wild rice

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