

**CHAPTER 178—S.F.No. 3465**

*An act relating to workers' compensation; modifying appeal procedures; modifying notice of coverage provisions; amending Minnesota Statutes 2004, section 176.421, subdivision 4; Minnesota Statutes 2005 Supplement, section 176.185, subdivision 1.*

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

Section 1. Minnesota Statutes 2005 Supplement, section 176.185, subdivision 1, is amended to read:

Subdivision 1. **Notice of coverage; notice to insured before policy cancellation, termination or nonrenewal.** Within ten days after the issuance or renewal of a policy of insurance covering the liability to pay compensation under this chapter written by an insurer licensed to insure such liability in this state, the insurer shall file notice of coverage with the commissioner under rules and on forms prescribed by the commissioner. No policy shall be canceled by the insurer within the policy period nor terminated upon its expiration date until a notice in writing is delivered or mailed to the insured that meets all of the requirements in paragraphs (a) to (c).

(a) The notice must specify the date the policy will be terminated if the premium is not paid, declare that the insurer intends to cancel the policy by the specified date, or does not intend to renew the policy upon the expiration date.

(b) The notice must include the following statement, which must be placed on or sent with the premium invoice or other document sent by the insurer to notify the insured of the intended cancellation or termination: "You must maintain workers' compensation insurance, or obtain permission to self-insure for workers' compensation from the Minnesota Department of Commerce. The failure to maintain workers' compensation coverage is a violation of section 176.181, and could result in criminal prosecution and civil penalties of up to \$1,000 per week per uninsured employee." This statement must be in at least 12-point font, bold-faced type, and be set out in a separate paragraph.

(c) The notice must be mailed or delivered to the insured as follows, notwithstanding any contrary time frame for notice to the policyholder in section 60A.36 or 60A.37:

(1) at least 60 days before the actual date the policy is due to expire or be terminated or canceled for any reason other than as provided in clause (2);

(2) if the cancellation is due to nonpayment of premium, the notice must be sent at least 30 days before the actual date of cancellation and shall state the amount of premium due and the due date. ~~This 60-day advance notice to the insured applies to cancellation, termination, or nonrenewal of all workers' compensation policies for any reason, notwithstanding any contrary time frame for notice to the policyholder in section 60A.36 or 60A.37.~~

Sec. 2. Minnesota Statutes 2004, section 176.421, subdivision 4, is amended to read:

Subd. 4. **Service and filing of notice; cost of transcript.** Within the 30-day period for taking an appeal, the appellant shall:

(1) serve a copy of the notice of appeal on each adverse party; and

(2) file the original notice, with proof of service by admission or affidavit, with the chief administrative law judge and file a copy with the commissioner; Alternatively, the original may be retained by the filing party and a copy of the original filed by facsimile with the chief administrative law judge and the commissioner. Facsimile filings must be 15 pages or less in length. A facsimile appeal received after 4:30 p.m. on a state business day is considered filed on the next state business day.

~~(3)~~ In order to defray the cost of the preparation of the record of the proceedings appealed from, each appellant and cross-appellant shall pay to the commissioner of finance, Office of Administrative Hearings account the sum of \$25. The filing fee must be received by the Office of Administrative Hearings within ten business days after the end of the appeal period. If the filing fee is not received within ten days after the appeal period, the appeal is not timely filed.

The first party to file an appeal is liable for the original cost of preparation of the transcript. Cross-appellants or any other persons requesting a copy of the transcript are liable for the cost of the copy. The chief administrative law judge may require payment for transcription costs to be made in advance of the transcript preparation. The cost of a transcript prepared by a nongovernmental source shall be paid directly to that source and shall not exceed the cost that the source would be able to charge the state for the same service.

Upon a showing of cause, the chief administrative law judge may direct that a transcript be prepared without expense to the party requesting its preparation, in which case the cost of the transcript shall be paid by the Office of Administrative Hearings.

All fees received by the Office of Administrative Hearings for the preparation of the record for submission to the Workers' Compensation Court of Appeals or for the cost of transcripts prepared by the office shall be deposited in the Office of Administrative Hearings account in the state treasury and shall be used solely for the purpose of keeping the record of hearings conducted under this chapter and the preparation of transcripts of those hearings.

Presented to the governor April 18, 2006

Signed by the governor April 20, 2006, 3:50 p.m.