

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE S.F. No. 1216

(SENATE AUTHORS: KRUSE)

DATE	D-PG	OFFICIAL STATUS
04/18/2011	1387	Introduction and first reading Referred to Commerce and Consumer Protection

1.1 A bill for an act
1.2 relating to commerce; eliminating fees for license technology, automobile theft
1.3 prevention, and the real estate recovery fund; amending Minnesota Statutes
1.4 2010, sections 45.24; 60K.55, subdivision 2; 65B.84, subdivision 1; 82.57,
1.5 subdivisions 1, 3, 4; 82B.09, subdivision 1; repealing Minnesota Statutes 2010,
1.6 sections 82.86, subdivisions 3, 4; 168A.40, subdivisions 3, 4.

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

1.8 Section 1. Minnesota Statutes 2010, section 45.24, is amended to read:

1.9 **45.24 LICENSE TECHNOLOGY ~~FEES~~ SYSTEM.**

1.10 ~~(a)~~ The commissioner may establish and maintain an electronic licensing database
1.11 system for license origination, renewal, and tracking the completion of continuing
1.12 education requirements by individual licensees who have continuing education
1.13 requirements, and other related purposes.

1.14 ~~(b) The commissioner shall pay for the cost of operating and maintaining the~~
1.15 ~~electronic database system described in paragraph (a) through a technology surcharge~~
1.16 ~~imposed upon the fee for license origination and renewal, for individual licenses that~~
1.17 ~~require continuing education.~~

1.18 ~~(c) The surcharge permitted under paragraph (b) shall be up to \$40 for each two-year~~
1.19 ~~licensing period, except as otherwise provided in paragraph (f), and shall be payable at the~~
1.20 ~~time of license origination and renewal.~~

1.21 ~~(d) The Commerce Department technology account is hereby created as an account~~
1.22 ~~in the special revenue fund.~~

1.23 ~~(e) The commissioner shall deposit the surcharge permitted under this section in~~
1.24 ~~the account created in paragraph (d), and funds in the account are appropriated to the~~
1.25 ~~commissioner in the amounts needed for purposes of this section. The commissioner of~~

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2.1 ~~management and budget shall transfer an amount determined by the commissioner of~~
2.2 ~~commerce from the account to the statewide electronic licensing system account under~~
2.3 ~~section 16E.22 for the costs of the statewide licensing system attributable to the inclusion~~
2.4 ~~of licenses subject to this section.~~

2.5 ~~(f) The commissioner shall temporarily reduce or suspend the surcharge as necessary~~
2.6 ~~if the balance in the account created in paragraph (d) exceeds \$2,000,000 as of the end of~~
2.7 ~~any calendar year and shall increase or decrease the surcharge as necessary to keep the~~
2.8 ~~fund balance at an adequate level but not in excess of \$2,000,000.~~

2.9 Sec. 2. Minnesota Statutes 2010, section 60K.55, subdivision 2, is amended to read:

2.10 Subd. 2. **Licensing fees.** (a) In addition to fees provided for examinations and the
2.11 technology surcharge required under paragraph (d), each insurance producer licensed
2.12 under this chapter shall pay to the commissioner a fee of:

2.13 (1) \$50 for an initial life, accident and health, property, or casualty license issued to
2.14 an individual insurance producer, and a fee of \$50 for each renewal;

2.15 (2) \$50 for an initial variable life and variable annuity license issued to an individual
2.16 insurance producer, and a fee of \$50 for each renewal;

2.17 (3) \$50 for an initial personal lines license issued to an individual insurance
2.18 producer, and a fee of \$50 for each renewal;

2.19 (4) \$50 for an initial limited lines license issued to an individual insurance producer,
2.20 and a fee of \$50 for each renewal;

2.21 (5) \$200 for an initial license issued to a business entity, and a fee of \$200 for each
2.22 renewal;

2.23 (6) \$500 for an initial surplus lines license, and a fee of \$500 for each renewal;

2.24 (7) \$100 per location for the initial and renewal of a portable electronics insurance
2.25 limited lines license issued to a vendor, as defined in section 60K.381, subdivision 1,
2.26 paragraph (g), engaged in portable electronics transactions at ten or fewer locations in
2.27 this state as set forth in its application and any subsequent notice under section 60K.381,
2.28 subdivision 2, paragraph (b); and

2.29 (8) \$6,500 for the initial and renewal of a portable electronics insurance limited lines
2.30 license issued to a vendor, as defined in section 60K.381, subdivision 1, paragraph (g),
2.31 engaged in portable electronics transactions at more than ten locations in this state as set
2.32 forth in its application and any subsequent notice under section 60K.381, subdivision 2,
2.33 paragraph (b).

2.34 (b) Initial licenses issued to a business entity under this chapter and section 60K.381
2.35 are valid for a period not to exceed 24 months and expire on October 31 of the renewal

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3.1 year assigned by the commissioner. Initial licenses issued to an individual insurance
3.2 producer under this chapter before August 1, 2010, are valid for a period not to exceed 24
3.3 months and expire on October 31 of the renewal year assigned by the commissioner. Each
3.4 individual license initially issued or renewed on or after August 1, 2010, expires on the last
3.5 day of the birth month of the producer in the year that will result in the term of the license
3.6 being at least 12 months, but no more than 24 months. Beginning with the first license
3.7 expiration on the last day of the birth month of an individual producer as set forth in this
3.8 paragraph, all such licenses must after this date expire biennially on the last day of the birth
3.9 month of the individual producer that is two years subsequent to the preceding expiration
3.10 date. Each renewal insurance producer license is valid for a period of 24 months.

3.11 (c) All fees are nonreturnable, except that an overpayment of any fee may be
3.12 refunded upon proper application.

3.13 ~~(d) In addition to the fees required under paragraph (a), individual insurance~~
3.14 ~~producers shall pay, for each initial license and renewal, a technology surcharge of up to~~
3.15 ~~\$40 under section 45.24, unless the commissioner has adjusted the surcharge as permitted~~
3.16 ~~under that section.~~

3.17 Sec. 3. Minnesota Statutes 2010, section 65B.84, subdivision 1, is amended to read:

3.18 Subdivision 1. **Program described; commissioner's duties; appropriation.** (a)
3.19 The commissioner of commerce shall:

3.20 (1) develop and sponsor the implementation of statewide plans, programs, and
3.21 strategies to combat automobile theft, improve the administration of the automobile theft
3.22 laws, and provide a forum for identification of critical problems for those persons dealing
3.23 with automobile theft;

3.24 (2) coordinate the development, adoption, and implementation of plans, programs,
3.25 and strategies relating to interagency and intergovernmental cooperation with respect
3.26 to automobile theft enforcement;

3.27 (3) annually audit the plans and programs that have been funded in whole or in part
3.28 to evaluate the effectiveness of the plans and programs and withdraw funding should the
3.29 commissioner determine that a plan or program is ineffective or is no longer in need
3.30 of further financial support from the fund;

3.31 (4) develop a plan of operation including:

3.32 (i) an assessment of the scope of the problem of automobile theft, including areas
3.33 of the state where the problem is greatest;

3.34 (ii) an analysis of various methods of combating the problem of automobile theft;

3.35 (iii) a plan for providing financial support to combat automobile theft;

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- 4.1 (iv) a plan for eliminating car hijacking; and
4.2 (v) an estimate of the funds required to implement the plan; and
4.3 (5) distribute money, in consultation with the commissioner of public safety,
4.4 pursuant to subdivision 3 from the automobile theft prevention special revenue account
4.5 for automobile theft prevention activities, including:
4.6 (i) paying the administrative costs of the program;
4.7 (ii) providing financial support to the State Patrol and local law enforcement
4.8 agencies for automobile theft enforcement teams;
4.9 (iii) providing financial support to state or local law enforcement agencies for
4.10 programs designed to reduce the incidence of automobile theft and for improved
4.11 equipment and techniques for responding to automobile thefts;
4.12 (iv) providing financial support to local prosecutors for programs designed to reduce
4.13 the incidence of automobile theft;
4.14 (v) providing financial support to judicial agencies for programs designed to reduce
4.15 the incidence of automobile theft;
4.16 (vi) providing financial support for neighborhood or community organizations or
4.17 business organizations for programs designed to reduce the incidence of automobile
4.18 theft and to educate people about the common methods of automobile theft, the models
4.19 of automobiles most likely to be stolen, and the times and places automobile theft is
4.20 most likely to occur; and
4.21 (vii) providing financial support for automobile theft educational and training
4.22 programs for state and local law enforcement officials, driver and vehicle services exam
4.23 and inspections staff, and members of the judiciary.
4.24 (b) The commissioner may not spend in any fiscal year more than ten percent of the
4.25 money in the fund for the program's administrative and operating costs. The commissioner
4.26 is annually appropriated and must distribute the amount of the proceeds credited to
4.27 the automobile theft prevention special revenue account each year, ~~less the transfer of~~
4.28 ~~\$1,300,000 each year to the general fund described in section 168A.40, subdivision 4.~~

4.29 Sec. 4. Minnesota Statutes 2010, section 82.57, subdivision 1, is amended to read:

4.30 Subdivision 1. **Amounts.** The following fees shall be paid to the commissioner:

4.31 (a) a fee of \$150 for each initial individual broker's license, and a fee of \$100 for
4.32 each renewal thereof;

4.33 (b) a fee of \$70 for each initial salesperson's license, and a fee of \$40 for each
4.34 renewal thereof;

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5.1 (c) a fee of \$85 for each initial real estate closing agent license, and a fee of \$60
5.2 for each renewal thereof;

5.3 (d) a fee of \$150 for each initial corporate, limited liability company, or partnership
5.4 license, and a fee of \$100 for each renewal thereof;

5.5 ~~(e) a fee for payment to the education, research and recovery fund in accordance~~
5.6 ~~with section 82.86;~~

5.7 ~~(f)~~ (e) a fee of \$20 for each transfer;

5.8 ~~(g)~~ (f) a fee of \$50 for license reinstatement; and

5.9 ~~(h)~~ (g) a fee of \$20 for reactivating a corporate, limited liability company, or
5.10 partnership license without land; and

5.11 ~~(i) in addition to the fees required under this subdivision, individual licensees under~~
5.12 ~~clauses (a) and (b) shall pay, for each initial license and renewal, a technology surcharge~~
5.13 ~~of up to \$40 under section 45.24, unless the commissioner has adjusted the surcharge~~
5.14 ~~as permitted under that section.~~

5.15 Sec. 5. Minnesota Statutes 2010, section 82.57, subdivision 3, is amended to read:

5.16 Subd. 3. **Broker payment consolidation.** For all license renewal fees, ~~recovery~~
5.17 ~~fund renewal fees, and recovery fund assessments pursuant to this section and section~~
5.18 ~~82.86, the broker must remit the fees or assessments for the company, broker, and all~~
5.19 ~~salespersons licensed to the broker, in the form of a single payment.~~

5.20 Sec. 6. Minnesota Statutes 2010, section 82.57, subdivision 4, is amended to read:

5.21 Subd. 4. **Deposit of fees.** Unless otherwise provided by this chapter, all fees
5.22 collected under this chapter shall be deposited in the state treasury. ~~The technology~~
5.23 ~~surcharge shall be deposited as required under section 45.24.~~

5.24 Sec. 7. Minnesota Statutes 2010, section 82B.09, subdivision 1, is amended to read:

5.25 Subdivision 1. **Amounts.** ~~(a)~~ The following fees must be paid to the commissioner:

5.26 (1) \$150 for each initial individual real estate appraiser's license; and

5.27 (2) \$100 for each renewal.

5.28 ~~(b) In addition to the fees required under this subdivision, individual real estate~~
5.29 ~~appraisers shall pay a technology surcharge of up to \$40 under section 45.24, unless the~~
5.30 ~~commissioner has adjusted the surcharge as permitted under that section.~~

5.31 Sec. 8. **REPEALER.**

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6.1 Minnesota Statutes 2010, sections 82.86, subdivisions 3 and 4; and 168A.40,
6.2 subdivisions 3 and 4, are repealed.

6.3 Sec. 9. **EFFECTIVE DATE.**

6.4 This act is effective July 1, 2013.