

A bill for an act

relating to commerce; modifying certain insurance notices and authorizations to collect information; regulating certain insurance appraisers; amending Minnesota Statutes 2010, sections 60C.21, subdivision 1; 65A.12, subdivision 2; 72A.491, by adding a subdivision; 72A.501, subdivision 1, by adding a subdivision; 72A.502, subdivision 1.

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

Section 1. Minnesota Statutes 2010, section 60C.21, subdivision 1, is amended to read:

Subdivision 1. **Notice required.** No person, including an insurer, agent, or affiliate of an insurer or agent shall sell, or offer for sale, a covered property and casualty insurance policy, unless the notice, in the form specified in subdivision 2, is ~~delivered~~ given or obtained with or as a part of the application for that policy. ~~A copy of the notice must be given to the applicant. If the application is not taken from the applicant in person, the notice must be sent to the applicant within 72 hours after the application is taken. The person offering the policy or contract shall document the fact that the notice was given at the time of application or was sent within the specified time and shall include a copy of the notice with the policy or contract when delivered to the applicant.~~ This section does not apply to renewals, unless the renewal increases the dollar amount of a coverage by more than 100 percent. The notice must be given or obtained in writing or in the same medium as the application for insurance.

Sec. 2. Minnesota Statutes 2010, section 65A.12, subdivision 2, is amended to read:

Subd. 2. **Appraiser.** No person shall be a qualified appraiser who is not ~~a resident of the state,~~ disinterested, and willing to act.

Sec. 3. Minnesota Statutes 2010, section 72A.491, is amended by adding a subdivision to read:

Subd. 20a. **Signed.** "Signed" means a written signature or an electronic signature as defined in section 325L.02, paragraph (h).

Sec. 4. Minnesota Statutes 2010, section 72A.501, subdivision 1, is amended to read:

Subdivision 1. **Requirement; content.** An authorization used by an insurer, insurance-support organization, or insurance agent to disclose or collect personal or privileged information ~~must be in writing and must meet the following requirements~~ is valid if it:

- (1) ~~is written~~ in plain language;
- (2) is dated;
- (3) specifies the types of persons authorized to disclose information about the person;
- (4) specifies the nature of the information authorized to be disclosed;
- (5) names the insurer or insurance agent and identifies by generic reference representatives of the insurer to whom the person is authorizing information to be disclosed;
- (6) specifies the purposes for which the information is collected; and
- (7) specifies the length of time the authorization remains valid.

If the insurer, insurance-support organization, or insurance agent determines to disclose or collect a kind of information not specified in a previous authorization, a new authorization specifying that kind of information must be obtained.

Sec. 5. Minnesota Statutes 2010, section 72A.501, is amended by adding a subdivision to read:

Subd. 5. **Verbal authorization in lieu of signed authorization.** For purposes of this section, verbal authorization may be given in lieu of a signed authorization, provided that an electronic record of the verbal authorization is retained in compliance with section 325L.12.

Sec. 6. Minnesota Statutes 2010, section 72A.502, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** An insurer, insurance agent, or insurance-support organization must not disclose any personal or privileged information about a person collected or received in connection with an insurance transaction without the ~~written~~ authorization of that person except as authorized by this section. An insurer, insurance agent, or insurance-support organization must not collect personal information about a

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- 3.1 policyholder or an applicant not relating to a claim from sources other than public records
- 3.2 without ~~a written~~ an authorization from the person. The authorization to collect personal
- 3.3 information must be in writing or in the same medium as the application for insurance.