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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1682

04/02/2013 Authored by Atkins
The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

A bill for an act

relating to commerce; appropriating money for commerce and consumer protection; modifying and providing for certain fees and surcharges; amending Minnesota Statutes 2012, sections 60A.14, subdivision 1; 239.101, subdivision 3; 297I.30, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 297I.

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

ARTICLE 1

COMMERCE AND CONSUMER PROTECTION APPROPRIATIONS

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

		2014		2015		Total
General	$	.....	$	.....	$	.....
Special Revenue		.....		.....		.....
Petroleum Tank		.....		.....		.....
Workers' Compensation		.....		.....		.....
Total	**$**	**.....**	**$**	**.....**	**$**	**.....**

Sec. 2. **COMMERCE AND CONSUMER PROTECTION APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or

June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015.

	APPROPRIATIONS Available for the Year Ending June 30	
	2014	**2015**

Sec. 3. **DEPARTMENT OF COMMERCE**

Subdivision 1. **Total Appropriation** **$** **.....** **$** **.....**

Appropriations by Fund

	2014	2015
General	.....	.....
Petroleum Tank	.....	.....
Workers' Compensation	.....	.....

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Financial Institutions** ....

$142,000 each year is for the regulation of mortgage originators and servicers under Minnesota Statutes, chapters 58 and 58A.

Subd. 3. **Petroleum Tank Release Compensation Board** ....

This appropriation is from the petroleum tank fund.

Subd. 4. **Administrative Services** ....

$375,000 each year is for additional compliance efforts with unclaimed property. The commissioner may issue contracts for these services.

Fees for the Weights and Measures Unit will be increased by 30 percent during fiscal year 2014 and forward. All fees are deposited to the general fund as nondedicated revenue.

Subd. 5. **Telecommunications** ....

$250,000 each year is for the Broadband Development Office.

The following transfer is from the telecommunications access Minnesota fund. $300,000 the first year and $300,000 the second year and each year thereafter are for transfer to the commissioner of human services to supplement the ongoing operational expenses of the Commission of Deaf, DeafBlind, and Hard-of-Hearing Minnesotans.

Subd. 6. **Enforcement** ....

Appropriations by Fund

General	.....	.....
Workers' Compensation	.....	.....

Subd. 7. **Energy Resources** ....

Subd. 8. **Insurance** ....

Appropriations by Fund

General	.....	.....
Workers' Compensation	.....	.....

Sec. 4. **PUBLIC UTILITIES COMMISSION** **$** ..... **$** .....

Sec. 5. **GAMBLING CONTROL** **$** ..... **$** .....

These appropriations are from the lawful gambling regulation account in the special revenue fund.

Sec. 6. **RACING COMMISSION** **$** ..... **$** .....

These appropriations are from the racing and card playing regulation accounts in the special revenue fund.

Sec. 7. **STATE LOTTERY**

Notwithstanding Minnesota Statutes, section 349A.10, subdivision 3, the operating budget must not exceed $30,500,000 in fiscal year 2014 and $30,500,000 in fiscal year 2015.

Sec. 8. **EXPLORE MINNESOTA TOURISM** **$** **.....** **$** **.....**

(a) Of this amount, $12,000 each year is for a grant to the Upper Minnesota Film Office.

(b)(1) To develop maximum private sector involvement in tourism, $500,000 in fiscal year 2014 and $500,000 in fiscal year 2015 must be matched by Explore Minnesota Tourism from nonstate sources. Each $1 of state incentive must be matched with $6 of private sector funding. Cash match is defined as revenue to the state or documented cash expenditures directly expended to support Explore Minnesota Tourism programs. Up to one-half of the private sector contribution may be in-kind or soft match. The incentive in fiscal year 2014 shall be based on fiscal year 2013 private sector contributions. The incentive in fiscal year 2015 shall be based on fiscal year 2014 private sector contributions. This incentive is ongoing.

(2) Funding for the marketing grants is available either year of the biennium. Unexpended grant funds from the first year are available in the second year.

(3) Unexpended money from the general fund appropriations made under this section does not cancel but must be placed in a special marketing account for use by Explore

Minnesota Tourism for additional marketing activities.

(c) $325,000 in fiscal year 2014 and $325,000 in fiscal year 2015 are for the Minnesota Film and TV Board. The appropriation in each year is available only upon receipt by the board of $1 in matching contributions of money or in-kind contributions from nonstate sources for every $3 provided by this appropriation, except that each year up $50,000 is available on July 1 even if the required matching contribution has not been received by that date.

ARTICLE 2

COMMERCE AND CONSUMER PROTECTION POLICY

Section 1. Minnesota Statutes 2012, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. **Fees other than examination fees.** In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies;

(1) for filing certificate of incorporation $25 and amendments thereto, $10;

(2) for filing annual statements, $15;

(3) for each annual certificate of authority, $15;

(4) for filing bylaws $25 and amendments thereto, $10;

(b) by other domestic and foreign companies including fraternals and reciprocal exchanges;

(1) for filing an application for an initial certification of authority to be admitted to transact business in this state, $1,500;

(2) for filing certified copy of certificate of articles of incorporation, $100;

(3) for filing annual statement, $225;

(4) for filing certified copy of amendment to certificate or articles of incorporation, $100;

(5) for filing bylaws, $75 or amendments thereto, $75;

(6) for each company's certificate of authority, $575, annually;

(c) the following general fees apply:

(1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, $25;

(2) for each copy of paper on file in the commissioner's office 50 cents per page, and $2.50 for certifying the same;

(3) for license to procure insurance in unadmitted foreign companies, $575;

(4) for valuing the policies of life insurance companies, one cent per $1,000 of insurance so valued, provided that the fee shall not exceed $13,000 per year for any company. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;

(5) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, $50;

(6) for each appointment of an agent filed with the commissioner, ~~$10~~ $30;

(7) for filing forms, rates, and compliance certifications under section 60A.315, $140 per filing, or $125 per filing when submitted via electronic filing system. Filing fees may be paid on a quarterly basis in response to an invoice. Billing and payment may be made electronically;

(8) for annual renewal of surplus lines insurer license, $300.

The commissioner shall adopt rules to define filings that are subject to a fee.

Sec. 2. Minnesota Statutes 2012, section 239.101, subdivision 3, is amended to read:

Subd. 3. **Petroleum inspection fee; appropriation, uses.** (a) An inspection fee is imposed (1) on petroleum products when received by the first licensed distributor, and (2) on petroleum products received and held for sale or use by any person when the petroleum products have not previously been received by a licensed distributor. The petroleum inspection fee is $1 for every 1,000 gallons received. The commissioner of revenue shall collect the fee. The revenue from ~~81~~ 89 cents of the fee is appropriated to the commissioner of commerce for the cost of operations of the Division of Weights and Measures, petroleum supply monitoring, and to make grants to providers of low-income weatherization services to install renewable energy equipment in households that are eligible for weatherization assistance under Minnesota's weatherization assistance program state plan. The remainder of the fee must be deposited in the general fund.

(b) The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report as prescribed by the commissioner of revenue.

(c) The commissioner of revenue may collect the inspection fee along with any taxes due under chapter 296A.

Sec. 3. **[297I.11] AUTOMOBILE THEFT PREVENTION SURCHARGE.**

Subdivision 1. **Surcharge.** Each insurer engaged in the writing of policies of automobile insurance shall collect a surcharge, at the rate of 50 cents per vehicle for every six months of coverage, on each policy of automobile insurance providing comprehensive insurance coverage issued or renewed in this state. The surcharge may not be considered premium for any purpose, including the computation of premium tax or agents' commissions. The amount of the surcharge must be separately stated on either a billing or policy declaration sent to an insured. Insurers shall remit the revenue derived from this surcharge to the commissioner of revenue for purposes of the automobile theft prevention program described in section 65B.84. For purposes of this subdivision, "policy of automobile insurance" has the meaning given it in section 65B.14, covering only the following types of vehicles as defined in section 168.002:

(1) a passenger automobile;

(2) a pickup truck;

(3) a van but not commuter vans as defined in section 168.126; or

(4) a motorcycle,

except that no vehicle with a gross vehicle weight in excess of 10,000 pounds is included within this definition.

Subd. 2. **Automobile theft prevention account.** A special revenue account in the state treasury shall be credited with the proceeds of the surcharge imposed under subdivision 1. Of the revenue in the account, $1,300,000 each year must be transferred to the general fund. Revenues in excess of $1,300,000 each year may be used only for the automobile theft prevention program described in section 65B.84.

Subd. 3. **Collection and administration.** The commissioner shall collect and administer the surcharge imposed by this section in the same manner as the taxes imposed by this chapter.

EFFECTIVE DATE. This section is effective for premiums collected after June 30, 2013.

Sec. 4. Minnesota Statutes 2012, section 297I.30, is amended by adding a subdivision to read:

Subd. 10. **Automobile theft prevention surcharge.** On or before May 1, August 1, November 1, and February 1 of each year, every insurer required to pay the surcharge under section 297I.11 shall file a return with the commissioner for the preceding three-month period ending March 31, June 30, September 30, and December 31, in the form prescribed by the commissioner.

EFFECTIVE DATE. This section is effective for premiums collected after June 30, 2013.

APPENDIX
Article locations in 13-2882

COMMERCE AND CONSUMER PROTECTION

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