

CHAPTER 101.—S. F. No. 558.

An Act relating to premium rates for fire insurance.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Insurance commissioner authorized to make examination of rating bureaus.—The commissioner of insurance may address inquiries to any individual, association or bureau, which is or has been engaged in making rates or estimates for rates for fire insurance upon property in this state, in relation to its organization, maintenance or operation, or any other matter connected with its transactions, and may require the filing of schedules, rates, forms, rules, regulations and other information, and it shall be the duty of every such individual, association or bureau, or some officer thereof, to promptly make such filing and reply to such inquiries in writing:

The commissioner of insurance shall have power to examine any such rating bureau as often as he deems it expedient to do so, and shall do so not less than once every three years. A report thereof shall be filed in his office. The commissioner of insurance may waive such examination upon the filing with him of a report of such examination made by some other insurance department or proper supervising officer within such three years. A statement with regard to such examination shall be made in the annual report of the commissioner of insurance.

Sec. 2. Discriminatory rates forbidden and written statements of variation required to be filed.—No fire insurance company or other insurer against the risk of fire or lightning, nor any rating bureau, shall fix or charge any rate for fire insurance upon property in this state which discriminates unfairly between risks in the application of like charges and credits, or which discriminates unfairly between risks of essentially the same hazards and having substantially the same degree of protection against fire.

Any company or other insurer which shall desire to make any variation from the bureau rate upon any class of risks may do so but shall file with the commissioner of insurance and with the bureau of which it is a member or to which it is a subscriber, a written statement of such variation, at least fifteen (15) days in advance of such variation taking effect, and such variation shall be uniform and applicable to all risks of essentially the same hazard in the class for which such variation is made. If any insurer grants a lower rate on any class of property than that fixed by the rating bureau of which it is a member or subscriber, or by the Commissioner of Insurance as provided by this act, such rate shall not be increased by such insurer until one year has elapsed, without the approval of the Commissioner of Insurance. Provided that a declaration filed with the Insurance

Commissioner by any insurance company of its intention to write insurance at a uniform variation of a certain per cent from the bureau rate, shall be a sufficient compliance with the requirements of this section.

Sec. 3. Fire insurance companies required to maintain rating bureau—composition of same.—Every fire insurance company or other insurer authorized to effect insurance against the risks of loss or damage by fire or lightning in this state shall maintain or be a member of a rating bureau. No such insurer shall be a member of more than one rating bureau for the purpose of rating the same risk.

A rating bureau may consist of one or more insurers, and when consisting of two or more insurers shall admit to membership any authorized insurer applying therefor. The expenses of the bureau shall be shared in proportion to the gross premiums received by each member during the preceding year in this state, to which may be added a reasonable annual fee of not to exceed Fifty Dollars. Each member shall have one vote.

Every rating bureau shall maintain an office within the United States.

Within sixty days after the passage of this act, every fire insurance company or other insurer aforesaid, shall notify the Commissioner of Insurance in writing of each rating bureau making rates upon property located within this state of which it is a member and shall thereafter annually on or before February 1st report to the Commissioner of Insurance in writing each such rating bureau of which it is a member, and during the year, file written notice of any other such rating bureau of which it shall become a member.

Sec. 4. Risks to be inspected.—Every rating bureau engaged in making rates or estimates for rates for fire insurance on property in this state shall inspect every risk specifically rated by it upon schedule, and make a written survey of such risk, which shall be filed as a permanent record in the office of such bureau. A copy of such survey shall be furnished to the owner upon request.

Sec. 5. Rating agreements to be submitted for approval of insurance commissioner.—No fire insurance company or any other insurer and no rating bureau, or any representative of any fire insurance company or other insurer or rating bureau, shall enter into or act upon any agreement with regard to the making, fixing or collecting of any rate for fire insurance upon property within this state, unless in compliance with this act.

Any such agreement may be made and enforced, provided the same be in writing, and, prior to its taking effect, a copy thereof be filed with the commissioner of insurance and with

each rating bureau of which any of the parties thereto shall be a member or subscriber.

The commissioner of insurance may, after due notice and hearing, upon complaint or upon his own motion, make an order disapproving any such agreement. No such agreement shall be in force, nor shall any act or rights be based thereon, after service of a copy of such order upon each of the parties to such agreement and upon each bureau with which such agreement is required to be filed. Service may be made by mail and *shall be completed upon the expiration of a reasonable time for transmission fixed in such order.* The action of the commissioner of insurance in making or refusing to make any such order shall be subject to review by the District Court, as hereinafter provided.

Sec. 6. Commissioner to review rate fixed by bureau—Proceedings under appeal from order of commissioner.—The commissioner of insurance shall have power, on written complaint or upon his own motion, to review any rate fixed by any bureau for fire insurance upon property within this state, for the purpose of determining whether the same is discriminatory or unjust. He shall have power to order the discrimination or unjust rate removed and fix and order a rate in lieu of the bureau rate found to be discriminatory or unjust and the rate so ordered and fixed shall become the bureau rate.

No action shall be taken by said commissioner of insurance unless upon a written complaint under the oath on information and belief of the person or persons interested, showing in substantial detail the ground for complaint with such data as will reasonably enable the commissioner of insurance to determine whether there is probable cause therefor, and no such action shall be taken nor shall there be any hearing thereon until a copy of said complaint and data shall have been sent by registered mail or special delivery to the insurance company or bureau concerned and such insurance company or bureau shall have at least ten days' notice of any hearing thereon.

Any person aggrieved by any such order or decision made by the commissioner of insurance may appeal therefrom to the district court of the county where the aggrieved party may reside within thirty (30) days from the making and filing of such order or decision by filing in the office of said commissioner a notice of such appeal in writing, and in such case the said commissioner shall within ten (10) days after the filing of such notice make and return to said district court a full and complete certified transcript of the findings and order appealed from, and of all papers relating thereto on file in his office, including such notice of appeal, and upon the filing of such certified transcript such appeal and all matters involved therein shall be brought on for

trial upon the merits at the next term of said court after the filing of such transcript, unless otherwise ordered by the court; and upon such trial the findings of fact on which such order is based shall be prima facie evidence of the matters therein stated.

During the pendency of such proceedings upon review the order of the commissioner of insurance shall be suspended but in event of final determination against any insurer any overcharge by such insurer during such review shall be refunded to the persons entitled thereto.

Sec. 7. Penalty for violation.—Any fire insurance company or other insurer or rating bureau or representative of any fire insurance company or other insurer or rating bureau guilty of a violation of any of the provisions of this act or orders or findings of the commissioner of insurance made hereunder, shall be punished by a fine of not less than \$100 nor more than \$5,000. In addition thereto the license of any fire insurance company, agent or broker guilty of such violation may be revoked or suspended by the commissioner of insurance. Any rating bureau examined by the commissioner of insurance under the provisions of this act shall pay to the commissioner of insurance for such examination the same fees required for examinations of foreign fire insurance companies.

Sec. 8. Not to apply to county or township companies.—The provisions of this act shall not apply to county or township, mutual insurance companies.

Sec. 9. This act shall take effect and be in force sixty days after its passage.

Approved April 10, 1915.

CHAPTER 102—S. F. No. 500.

An Act to amend Section 327 of the General Statutes, 1913, relating to elections.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Occupation and residence of candidates having same names and running for same office to be given on ballot.—That Section 327, General Statutes for 1913, be, and the same is hereby, amended so as to read as follows:

327. Like squares shall be placed at the right of the blank lines, and on such lines the voter may write the names of persons for whom he desires to vote whose names are not printed, and in the squares opposite the same he may make marks as in the case of printed names. The first name printed for each office, or group of names if more than one is to be voted for for the same office, shall be that of the candidate of the political party which at the last preceding general election polled the largest number of