

(a) Publicly reprimand or censure the person; and

(b) Place the person on probation for the period and upon the terms and conditions that the board may prescribe.

Approved May 20, 1977.

CHAPTER 194—S.F.No.581

An act relating to insurance; regulating licensing procedures; amending Minnesota Statutes 1976, Section 60A.17, Subdivision 2.

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

Section 1. Minnesota Statutes 1976, Section 60A.17, Subdivision 2, is amended to read:

Subd. 2. **INSURANCE; LICENSE PROCEDURE AND REQUIREMENTS.** (1) A license to any person to act as insurance agent shall only be granted by the commissioner, upon the written requisition of an insurer, to a qualified person.

(2) To become qualified, a person shall complete a written application furnished by the commissioner, and he shall take and pass the examination prescribed for one or more of the following lines of insurance: fire and marine, automobile, accident and health, life, general casualty, fidelity and surety, farm property perils and farm liability. The examination shall be given only after the applicant has completed a program of studies in a school, which shall include a school conducted by an admitted insurer, a correspondence course given by an admitted insurer, or other such course of study. Said course of study shall consist of a minimum of 20 hours study for each line for which a license application is made. If the applicant has been previously licensed for the particular line of insurance in the state of Minnesota, the requirement of a program of studies or a study course shall be waived. A certification of compliance by an admitted insurer shall accompany the agent's license application. This program of studies in a school or a study course shall not apply to farm property perils and farm liability applicants, or to agents writing such other lines of insurance as the commissioner may exempt from examination by directive.

(3) Prior to his taking the examination, the applicant shall transmit to the commissioner of insurance, by money order or cashier's check payable to the state treasurer, a fee prescribed by section 60A.14, subdivision 1, (3) (h). If an applicant pays an examination fee and within one year six months from the date of that payment does not ~~either make a written request for a refund or~~ take the examination for which the fee was paid, that fee is forfeited to the state of Minnesota.

(4) (a) ~~The~~ A license ~~issued shall expire~~ expires May 31 of each year, unless renewed by written request of the insurer with payment of renewal fee as prescribed by

Changes or additions indicated by underline deletions by ~~strikeout~~

section 60A.14, subdivision 1, (3) (i). ~~Further~~ The insurer shall remit the fee prescribed by section 60A.14, subdivision 1, (3) (i), for each amendment requested on a license.

Any applicant who has held a license as an agent for a specific line within three years prior to his application or renewal application shall be entitled to a renewal of his license for that line without examination.

(b) A person whose renewal application has been properly and timely filed and who has not received a notice of denial of renewal by June 1, may transact business without a license until notice of renewal or nonrenewal is received. An application for renewal of a license is properly and timely filed if it: (i) is addressed to the commissioner and postmarked prior to 12:01 a.m. on May 14, or received by the commissioner on or before May 15, in each year; and (ii) is accompanied by the fees prescribed in chapter 60A, and by the information that the commissioner by rule may require to determine eligibility for a renewal.

(c) A person who fails to make a properly and timely filed application for renewal of a license and who does not receive a renewal license by June 1, is unlicensed until he receives a new license from the commissioner.

(5) An application to amend a license to include an additional class of insurance shall be on forms provided by the commissioner and shall be accompanied by the applicant's surrendered license and the proper fees. An applicant who surrenders his license pursuant to this clause retains his licensed status until an amended license is received or the original license expires without renewal, whichever event occurs first.

~~(4)~~ (6) (a) Any officer of a licensed insurer may, without license or other qualification, act in its behalf in the negotiation and consummation of insurance and appoint agents for the company.

(b) Where the agent or solicitor has previously filed with the commissioner such an application, the commissioner may renew his license without requiring further application.

(c) No agent or solicitor licensed on January 1, 1944, shall be required to take an examination to determine his competence to transact business in the lines of insurance for which he was licensed on that date. No insurance agent for a fraternal benefit association shall be required to take an examination to become eligible for an agent's or solicitor's license if it is certified by one or more licensed fraternal benefit associations that such agent has been acting in the capacity of an agent prior to January 1, 1971.

(d) No examination or program of studies or study course shall be required of an applicant for a license as a non-resident agent who is duly licensed as an agent or broker in the state of his residence, provided such state requires no like examination of licensed agents of this state.

(e) No agent or solicitor for a township mutual shall be required to take an examination to become eligible for an agent's or solicitor's license in farm property perils and farm liability if it is certified by one or more township mutual companies that such

Changes or additions indicated by underline deletions by strikeout

agent has been acting in the capacity of an agent at least since January 1, 1971, and no new examination shall be required for eligibility for a license in farm property perils and farm liability for a licensed agent in farm windstorm and hail insurance who was licensed prior to January 1, 1971.

Sec. 2. EFFECTIVE DATE. This act is effective the day following its final enactment, except that it shall not apply to renewals of licenses granted before January 1, 1978.

Approved May 20, 1977.

CHAPTER 195—S.F.No.586

An act relating to insurance; legal expense insurance; authorizing the use of closed panel insurance plans; setting requirements for the admission of foreign companies; amending Minnesota Statutes 1976, Sections 60A.08, Subdivision 10; and 60A.19, Subdivision 1.

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

Section 1. Minnesota Statutes 1976, Section 60A.08, Subdivision 10, is amended to read:

Subd. 10. **INSURANCE; LEGAL EXPENSE INSURANCE.** No contract of insurance written pursuant to the authority to transact the kind of business enumerated in section 60A.06, subdivision 1, clause (15) shall ~~deny the insured the free choice of attorneys at law authorized to practice in the jurisdiction in which the service is rendered; nor shall there be any interference~~ include any provision interfering with the attorney-client relationship.

Sec. 2. Minnesota Statutes 1976, Section 60A.19, Subdivision 1, is amended to read:

60A.19 FOREIGN COMPANIES. Subdivision 1. **REQUIREMENTS.** Any insurance company of another state, upon compliance with all laws governing such corporations in general and with the foregoing provisions so far as applicable and the following requirements, shall be admitted to do business in this state:

(1) It shall deposit with the commissioner a certified copy of its charter or certificate of incorporation and its bylaws, and a statement showing its financial condition and business, verified by its president and secretary or other proper officers;

(2) It shall furnish the commissioner satisfactory evidence of its legal organization and authority to transact the proposed business and that its capital, assets, deposits with the proper official of its own state, amount insured, number of risks, reserve and other securities, and guaranties for protection of policyholders, creditors, and the public, comply with those required of like domestic companies;

Changes or additions indicated by underline deletions by ~~strikeout~~