

This act governs a cause of action arising after January 30, 1987.

Sec. 3. LOCAL APPROVAL.

This act takes effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Duluth.

Approved May 15, 1987

CHAPTER 152—H.F.No. 285

An act relating to liquor laws; eliminating vicarious criminal liability for the employer of an individual who violates a liquor law; reenacting certain amendments to the dram shop act; providing for liability of professional review organizations; amending Minnesota Statutes 1986, sections 145.63; 340A.501; and 340A.801, subdivision 1; repealing Minnesota Statutes 1986, section 340A.801, subdivision 5.

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

ARTICLE 1

Section 1. REENACTMENT.

Minnesota Statutes, chapter 340A, as published in Minnesota Statutes 1986, is reenacted.

ARTICLE 2

Section 1. Minnesota Statutes 1986, section 145.63, is amended to read:

145.63 LIMITATION ON LIABILITY FOR SPONSORING ORGANIZATIONS AND MEMBERS OF REVIEW ORGANIZATIONS.

Subdivision 1. MEMBERS. No person who is a member or employee of, who acts in an advisory capacity to or who furnishes counsel or services to, a review organization shall be liable for damages or other relief in any action brought by a person or persons whose activities have been or are being scrutinized or reviewed by a review organization, by reason of the performance by the person of any duty, function or activity of such review organization, unless the performance of such duty, function or activity was motivated by malice toward the person affected thereby. No person shall be liable for damages or other relief in any action by reason of the performance of the person of any duty, function,

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or activity as a member of a review committee or by reason of any recommendation or action of the review committee when the person acts in the reasonable belief that the action or recommendation is warranted by facts known to the person or the review organization after reasonable efforts to ascertain the facts upon which the review organization's action or recommendation is made, except that any corporation designated as a review organization under the Code of Federal Regulations, title 42, section 466 (1983) shall be subject to actions for damages or other relief by reason of any failure of a person, whose care or treatment is required to be scrutinized or reviewed by the review organization, to receive medical care or treatment as a result of a determination by the review organization that medical care was unnecessary or inappropriate.

Subd. 2. ORGANIZATIONS. No state or local association of professionals or organization of professionals from a particular area shall be liable for damages or other relief in any action brought by a person whose activities have been or are being scrutinized or reviewed by a review organization established by the association or organization, unless the association or organization was motivated by malice towards the person affected by the review or scrutiny.

Sec. 2. Minnesota Statutes 1986, section 340A.501, is amended to read:

340A.501 RESPONSIBILITY OF LICENSEE.

Every licensee is responsible for the conduct in the licensed establishment and any sale of alcoholic beverage by any employee authorized to sell alcoholic beverages in the establishment is the act of the licensee for the purposes of all provisions of this chapter except sections 340A.701, 340A.702, and 340A.703.

Sec. 3. Minnesota Statutes 1986, section 340A.801, subdivision 1, is amended to read:

Subdivision 1. **RIGHT OF ACTION.** A spouse, child, parent, guardian, employer, or other person injured in person, property, or means of support, or who incurs other pecuniary loss by an intoxicated person or by the intoxication of another person, has a right of action in the person's own name for all damages sustained against a person who caused the intoxication of that person by illegally selling alcoholic beverages. All damages recovered by a minor under this section must be paid either to the minor or to the minor's parent, guardian, or next friend as the court directs.

Sec. 4. **EFFECT OF OTHER AMENDMENTS TO CHAPTER 340A.**

Notwithstanding Minnesota Statutes, section 645.26, subdivision 3, if a law amending Minnesota Statutes 1986, chapter 340A, is enacted by the 1987 legislature, the law prevails over article 1, section 1, of this act, regardless of its date of final enactment.

Sec. 5. **REPEALER.**

Minnesota Statutes 1986, section 340A.801, subdivision 5, is repealed.

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Sec. 6. **EFFECTIVE DATE.**

Article 2, section 2, is effective the day following final enactment.

Approved May 15, 1987

CHAPTER 153—H.F.No. 450

An act relating to commerce; regulating the advertisement of interest rates of investment products; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 45.

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

Section 1. **[45.025] ADVERTISEMENT OF INTEREST RATES.**

Subdivision 1. DEFINITIONS. For the purposes of this section only, the following terms have the meanings given them:

(a) "Advertisement" includes:

(1) printed or published material, audio visual material, and descriptive literature of an issuer or agent used in direct mail, newspapers, magazines, other periodicals, radio scripts, television scripts, billboards, and other similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, agents, or agencies;

(2) descriptive literature and sales aids of all kinds issued by an issuer or agent for presentation to members of the public, including but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters;

(3) prepared sales talks, presentations, and materials for use by issuers and agents and representations made by issuers and agents in accordance with these talks, presentations, and materials; and

(4) statements, written or oral, by an agent or issuer.

(b) "Agent" is a person who effects or attempts to effect or assist in the purchase or sale of an investment product.

(c) "Commissioner" means the commissioner of commerce.

(d) "Effective annual yield" is the annualized income expressed as a simple interest rate per annum based on the initial investment principal.

(e) "Effective net annual yield" means the effective annual yield, based on a hypothetical \$1,000 investment, minus any annual fee or similar regular periodic charges.

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