

7404.0370 APPOINTMENT OF AGENT.

Subpart 1. **In general.** An appointment must be based on information contained in the appointment application, an interview, an inspection of the office or review of a floor plan for compliance with part 7404.0400, and other relevant information or documentation.

A. The individual must possess, and ensure that all employees of the agent who have contact with the public possess, communication and customer service skills.

B. The individual must possess or demonstrate knowledge or experience in the laws and rules pertinent to the acceptance of applications, office management, accounting, and record keeping.

C. The individual must indicate a willingness to successfully complete initial and annual training provided by the commissioner as specified in part 7404.0500, subpart 1a.

Subp. 2. **Certificate of appointment.** The commissioner shall execute and sign a certificate of appointment that specifies the individual appointed as an agent, the approved office location, and the responsibility of the agent to accept applications.

A. The certificate of appointment must be signed by the individual appointed.

B. When an appointment is made by the commissioner of an individual designated by the county board or a municipal authority, the certificate must also be signed by the authorized representative of the county board or municipal authority.

C. The commissioner shall cancel a certificate of appointment if the appointed agent fails to provide an operational office that meets the requirements of this chapter within 12 months of the date of the initial appointment by the commissioner.

Subp. 3. **Bond.** If an agent appointed under this chapter is not an officer or employee of a county or municipality, the agent shall give a surety bond to the state to cover the application receipts accepted on behalf of the commissioner, and equipment and inventory provided and maintained by the commissioner.

A. The bond must be conditioned upon the faithful discharge of duties as an agent.

B. If an agent is also a deputy registrar or a registrar for the Minnesota Department of Natural Resources, the bond must be in addition to the bond required to be held to cover the deputy registrar vehicle title and registration or Department of Natural Resources transactions.

C. The bond must be a continuous bond in the amount of:

(1) \$1,000 or the value of all state-issued inventory, whichever amount is greater; plus

(2) \$3,000 for every \$50,000 of annual application receipts or portion thereof.

D. The amount of application receipts for an initial bond must be based on the highest projected amount of annual application receipts in the five years after an agent is appointed as the number of applications for a new office is estimated under part 7404.0300.

E. For an initial appointment, the bond shall be adjusted after the first 24 months of office operation.

F. The continuous bond must be adjusted every five years, starting with the date of initial issuance for an existing office, or starting with the date after the 24-month adjustment for a new office, to reflect the total annual application receipt amount and inventory value of the previous calendar year.

Subp. 4. **Change in agent designated by county or municipality.** An agent designated by a county board shall notify the county board and commissioner, in writing, no less than 30 days before the agent resigns, retires, or discontinues service. If the office is vacated upon the death or discontinuance of the agent, an official authorized by the county board or municipality must notify the commissioner within ten days of the vacancy.

Subp. 5. **Transfer of appointment.** An agent appointment may not be transferred to another individual or office without the approval of the commissioner.

Statutory Authority: *MS s 14.06; 171.06; 171.061; 373.35*

History: *23 SR 1454; 32 SR 1283*

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