

CHAPTER 70

COMPENSATION INSURANCE DIVISION

NOTE: L. 1921, c. 81, created the industrial commission and abolished the office of labor commissioner and the state board of arbitration; L. 1921, c. 82, entirely revised the workmen's compensation act (L. 1913, c. 467); L. 1921, c. 83, created a division of boiler inspection in the department of labor and industries; and L. 1921, c. 84, transferred the minimum wage commission (L. 1913, c. 547) to the same department.

As part of the same program, L. 1921, c. 85, created the compensation insurance board, codified as amended, into sections 70.01 to 70.23.

L. 1929, c. 237, (ss. 70.24 to 70.27) defines the risks insurers are required to accept; and L. 1935, c. 103, (ss. 70.28 to 70.32) deals with payment of awards in case of the insolvency of the carrier.

Laws 1913, c. 467, prescribed the liability of an employer to make compensation by way of damages for injuries due to accident received by an employee arising out of and in the course of employment. Section 13 set out in detail the schedule of compensation. As amended, the workmen's compensation law is coded in Chapter 176.

Laws 1921, c. 85, provided for the regulation of workmen's compensation insurance rates; and created a workmen's compensation insurance board, consisting of the commissioner of insurance, a member of the industrial commission chosen by the commission, and a person appointed by the governor. It is the duty of the board to approve a minimum, adequate, and reasonable rate for each classification under which applicable business is written.

The insurance rating bureau is owned, operated and controlled by the insurance companies and is only a quasi-state agency, while the compensation insurance board is a state agency. Each has the powers and duties prescribed by statute.

New powers and features were added by L. 1947, cc. 52, 98, and 210.

70.01 DEFINITIONS.

Where the plaintiff sought to recover additional premiums because of the death of defendant's employee due to negligence, the damage to plaintiff was too remote and was only an indirect cause of defendant's negligent act, and not recoverable. 18 MLR 877.

70.04 ORGANIZATION; SECRETARY; RULES; POWERS.

The statute relating to the board does not require the adoption of rules and regulations for the internal conduct of the agency business but the board may, at its discretion, adopt rules. Any regulations adopted must comply with statutory requirements as to notice, hearing, and be approved by the attorney general as to form and legality. OAG June 5, 1945 (650).

70.07 DUTIES; RATES OF INSURANCE.

Amended by L. 1947 c. 98 s. 1.

Upon proper showing, the basis of classification being fair and proper, and the plan economically sound, the board may approve a plan for advance discounts on premiums. OAG Dec. 3, 1943 (517-K).

70.11 INSURERS SHALL BE MEMBERS OF BUREAU.

Amended by L. 1947 c. 98 s. 2.

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70.12 COMPENSATION INSURANCE DIVISION

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70.12 ORGANIZATION OF BUREAU.

It is claimed that the bureau was the agent in fact, if not by statute, of the insurers. The bureau is a public agency with such powers, and such powers only as have been conferred upon it by statute, and is not the agent of the insurers but the agent of the state for the benefit of the public. *Yoselowitz v Peoples Bakery*, 201 M 600, 277 NW 221.

70.14 REPRESENTATION.

Amended by L. 1947 c. 210 s. 1.

70.15 LICENSE; FEE.

Amended by L. 1947 c. 52 s. 1.

70.17 BUREAU SHALL MAKE CLASSIFICATION.

Amended by L. 1947 c. 98 s. 3.

Where an illegal rate has been agreed upon, the legal rate may be determined and enforced by the inspector of the rating bureau, even after the policy has expired. *London Guarantee v Bd. of Education*, 166 M 295, 207 NW 634.

70.19 INSURERS SHALL NOT DISCRIMINATE.

Amended by L. 1947 c. 98 s. 4.

70.21 RATES TO BE UNIFORM; EXCEPTIONS.

Amended by L. 1947 c. 98 s. 5.

70.24 INSURERS REQUIRED TO TAKE CERTAIN RISKS; REFUSAL TO WRITE.

Under L. 1929 c. 237, the compensation insurance bureau does not have the power to substitute a new insured and a new risk in existing policies of insurance previously issued as assigned risks under the statute. A substitution of employees cannot be made without the knowledge or consent of the employee. *Moseault v N. W. Sand Blast Co.*, 199 M 96, 271 NW 246; *Yoselowitz v Peoples Bakery*, 201 M 600, 277 NW 221.

Constitutionality of section. Effect of fixing of rate, and designation of insurer in case of a rejected risk. *Builders Limited v Compensation Board*, 151 M 427, 186 NW 860; *Skuey v Bjerkan*, 173 M 354, 217 NW 358; *Maryland Casualty v American Lbr.*, 204 M 43, 282 NW 806.

CASUALTY AND SURETY RATES

70.35 PURPOSE OF ACT.

HISTORY. L. 1947 c. 119 s. 1.

70.36 SCOPE OF ACT.

HISTORY. L. 1947 c. 119 s. 2.

70.37 MAKING OF RATES.

HISTORY. L. 1947 c. 119 s. 3.

70.38 RATE FILINGS.

HISTORY. L. 1947 c. 119 s. 4.

70.39 DISAPPROVAL OF FINDINGS.

HISTORY. L. 1947 c. 119 s. 5.

70.40 RATING ORGANIZATIONS.

HISTORY. L. 1947 c. 119 s. 6.

70.41 DEVIATIONS.

HISTORY. L. 1947 c. 119 s. 7.

70.42 APPEAL BY MINORITY.

HISTORY. L. 1947 c. 119 s. 8.

70.43 INFORMATION TO BE FURNISHED INSUREDS; HEARING AND APPEALS OF INSUREDS.

HISTORY. L. 1947 c. 119 s. 9.

70.44 ADVISORY ORGANIZATIONS.

HISTORY. L. 1947 c. 119 s. 10.

70.45 JOINT UNDERWRITING OR JOINT REINSURANCE.

HISTORY. L. 1947 c. 119 s. 11.

70.46 EXAMINATIONS.

HISTORY. L. 1947 c. 119 s. 12.

70.47 RATE ADMINISTRATION.

HISTORY. L. 1947 c. 119 s. 13.

70.48 FALSE OR MISLEADING INFORMATION.

HISTORY. L. 1947 c. 119 s. 14.

70.49 ASSIGNED RISKS.

HISTORY. L. 1947 c. 119 s. 15.

70.50 PENALTIES.

HISTORY. L. 1947 c. 119 s. 16.

70.51 HEARING, PROCEDURE, AND JUDICIAL REVIEW.

HISTORY. L. 1947 c. 119 s. 17.

FIRE, MARINE AND INLAND MARINE RATES

70.60 PURPOSE OF ACT.

HISTORY. L. 1947 c. 120 s. 1.

70.61 SCOPE OF ACT.

HISTORY. L. 1947 c. 120 s. 2.

70.62 MAKING OF RATES.

HISTORY. L. 1947 c. 120 s. 3.

70.63 RATE FILINGS.

HISTORY. L. 1947 c. 120 s. 4.

70.64 DISAPPROVAL OF FILING.

HISTORY. L. 1947 c. 120 s. 5.

70.65 RATE ORGANIZATIONS.

HISTORY. L. 1947 c. 120 s. 6.

70.66 DEVIATIONS.

HISTORY. L. 1947 c. 120 s. 7.

70.67 APPEAL BY MINORITY.

HISTORY. L. 1947 c. 120 s. 8.

70.68 INFORMATION TO BE FURNISHED INSUREDS; HEARING AND APPEAL OF INSUREDS.

HISTORY. L. 1947 c. 120 s. 9.

70.69 ADVISORY ORGANIZATIONS.

HISTORY. L. 1947 c. 120 s. 10.

70.70 JOINT UNDERWRITING OR JOINT REINSURANCE.

HISTORY. L. 1947 c. 120 s. 11.

70.71 EXAMINATIONS.

HISTORY. L. 1947 c. 120 s. 12.

70.72 RATE ADMINISTRATION.

HISTORY. L. 1947 c. 120 s. 13.

70.73 FALSE OR MISLEADING INFORMATION.

HISTORY. L. 1947 c. 120 s. 14.

70.74 PENALTIES.

HISTORY. L. 1947 c. 120 s. 15.

70.75 HEARING, PROCEDURE, AND JUDICIAL REVIEW.

HISTORY. L. 1947 c. 120 s. 16.