

60K.48 COMMISSIONS.

Subdivision 1. **Payment prohibited.** An insurance company or insurance producer shall not pay a commission, service fee, brokerage, or other valuable consideration to a person for selling, soliciting, or negotiating insurance in this state if that person is required to be licensed under sections 60K.30 to 60K.56 and is not so licensed.

Subd. 2. **Acceptance prohibited.** A person shall not accept a commission, service fee, brokerage, or other valuable consideration for selling, soliciting, or negotiating insurance in this state if that person is required to be licensed under sections 60K.30 to 60K.56 and is not so licensed.

Subd. 3. **Exceptions.** (a) Renewal or other deferred commissions may be paid to a person for selling, soliciting, or negotiating insurance in this state if the person was required to be licensed under sections 60K.30 to 60K.56 at the time of the sale, solicitation, or negotiation and was so licensed at that time.

(b) An insurer or insurance producer may pay or assign commissions, service fees, brokerages, or other valuable consideration to an insurance agency or to persons who do not sell, solicit, or negotiate insurance in this state, unless the payment would constitute an illegal rebate or otherwise violate section 72A.20, subdivision 10. A duly licensed producer may pay commissions or assign or direct that commissions be paid to a partnership of which the producer is a member, employee, or agent, or to a corporation of which the agent is an officer, employee, or agent.

History: 2001 c 117 art 1 s 19; 2002 c 379 art 1 s 24