72B.08 DENIAL, SUSPENSION AND REVOCATION OF LICENSES.

Subdivision 1. **Causes.** The commissioner may place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license or temporary permit or may levy a civil penalty according to section 45.027, subdivision 6, or any combination of the above actions for any of the following causes:

(1) failure to pass a required examination;

(2) obtaining or attempting to obtain a license through misrepresentation or fraud providing incorrect, misleading, incomplete, or materially untrue information in the license application;

(3) violating any insurance laws, rules, subpoena, or order of the commissioner or of another state's insurance commissioner or any provision of sections 72B.01 to 72B.136;

(4) improperly withholding, misappropriating, or converting any money or properties received in the course of doing insurance business;

(5) intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance, with intent to deceive, or engaging in, or attempting to engage in, any fraudulent transaction with respect to a claim or loss that the licensee or holder of a temporary permit is adjusting;

(6) conviction of a felony under the laws of this state, any other state, the United States, or any foreign country;

(7) the licensee or holder of a temporary permit has demonstrated incompetency or untrustworthiness to act as an adjuster;

(8) refusal to comply with any lawful order of the commissioner;

(9) having admitted or been found to have committed any insurance unfair trade practice or fraud;

(10) using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business in this state or elsewhere;

(11) having an insurance license, or its equivalent, probated, suspended, revoked, or refused in any other state, province, district, or territory;

(12) forging another's name to any document related to an insurance transaction;

(13) cheating, including improperly using notes or any other reference material, to complete an examination for an insurance license;

(14) failing to comply with an administrative or court order imposing a child support obligation; or

(15) failing to pay state income tax or comply with any administrative or court order directing payment of state income tax which remains unpaid.

Subd. 2. **Notice.** In the event that the action by the commissioner is to refuse application for licensure or renewal of an existing license, the commissioner must notify the applicant or licensee in writing, advising of the reason for the refusal.

Subd. 3. **Hearing.** Except when an application is rejected for failure to pass a required examination, the person aggrieved by the action of the commissioner shall be entitled to a hearing before the commissioner or the commissioner's delegate, provided that such person files a written request for such hearing with the commissioner prior to the expiration of 30 days from the date of notice specified in subdivision 2. If no

hearing is requested within 30 days from the date of the notice, the action taken by the commissioner shall continue in effect until modified or vacated. If a hearing is timely requested, the commissioner shall set a date for such hearing not later than 30 days after the date of receipt of the request for hearing. Pending the hearing or any judicial review of such hearing, the commissioner may modify or vacate the action taken or extend it until final determination.

After the hearing, the commissioner shall enter an order either vacating the prior action, confirming the prior action or otherwise disposing of the matter as the facts require.

Subd. 4. **Suspension or revocation of license or permit.** When the commissioner has information, which if true, would be grounds for suspension, revocation, or refusal to issue a renewal license or a temporary permit, the commissioner may order the licensee or holder of the temporary permit to appear for a hearing pursuant to chapter 14, to determine the facts of the case and to determine whether the license or permit should be suspended or revoked, or whether it should not be renewed. The order shall fix the time and place for the hearing. After the hearing, the commissioner shall enter an order either dismissing the matter or suspending or revoking the license or temporary permit, or otherwise disposing of the matter as the facts require. Pending the results of the hearing, the licensee or permit holder may continue to act under the license or permit.

The license of a business entity may be probated, suspended, revoked, or refused if the commissioner finds, after a hearing, that:

(1) its designated individual licensee's violation occurred while acting on behalf of or representing the business entity;

(2) the violation was known or should have been known by one or more of the business entity's partners, officers, or managers;

(3) the violation was not reported to the commissioner; and

(4) corrective action was not taken.

In addition to or in lieu of any applicable probation, suspension, revocation, or refusal, a person may, after a hearing, additionally be subject to a civil fine according to section 45.027, subdivision 6.

The commissioner retains the authority to enforce the provisions of and impose any penalty or remedy authorized by this chapter and section 45.027, subdivision 6, against any person who is under investigation for or charged with a violation of this chapter or sections 72A.17 to 72A.32, even if the person's license or registration has been surrendered or has expired by operation of law.

Subd. 5. **Judicial review.** Any final order of the commissioner shall be subject to judicial review.

Subd. 6. **Procedure.** Any hearing or judicial review shall be in accordance with the contested case provisions of chapter 14.

Subd. 7. **Voluntary action by licensee or holder of permit.** The commissioner may request a voluntary revocation or suspension of a license or temporary permit and may enter into stipulations in accordance with the request whereby the licensee or holder of a temporary permit shall waive all further right to a hearing or judicial review.

Subd. 8. **Bond.** In the case of any licensee or permit holder who has had a license or permit suspended or revoked or whose license renewal has been prohibited by a lawful order of the commissioner, the commissioner may condition the issuance of a new license on the filing of a surety bond in an amount not

to exceed $10,000, made and conditioned in accordance with the requirements of section 72B.041, subdivision 3, relating to public adjusters' bonds. Nothing in this subdivision shall reduce or alter the bonding requirements for a public adjuster.

Subd. 9. **Civil and criminal liability.** This section shall not relieve a person from civil liability or from criminal prosecution under sections 72B.01 to 72B.136 or any other law of this state.

History: *1971 c 704 s 8; 1979 c 141 s 7; 1982 c 424 s 130; 1986 c 444; 2009 c 63 s 49-51,78; 2010 c 384 s 40; 2014 c 222 art 1 s 14; 2022 c 55 art 1 s 186*