

1.1 Senator ..... moves to amend S.F. No. 4091 as follows:

1.2 Page 1, after line 10, insert:

1.3 "Section 1. Minnesota Statutes 2018, section 47.60, is amended by adding a subdivision  
1.4 to read:

1.5 Subd. 7. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
1.6 2 and 3, apply to this section."

1.7 Page 2, delete sections 2 and 3 and insert:

1.8 "Sec. 3. Minnesota Statutes 2018, section 53.03, is amended by adding a subdivision to  
1.9 read:

1.10 Subd. 9. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
1.11 2 and 3, apply to this section.

1.12 Sec. 4. Minnesota Statutes 2018, section 53A.03, is amended to read:

1.13 **53A.03 APPLICATION FOR LICENSE; FEES.**

1.14 (a) An application for a license must be in writing, under oath, and in the form prescribed  
1.15 and furnished by the commissioner and must contain the following:

1.16 (1) the full name and address (both of residence and place of business) of the applicant,  
1.17 and if the applicant is a partnership or association, of every member, and the name and  
1.18 business address if the applicant is a corporation;

1.19 (2) the county and municipality, with street and number, if any, of all currency exchange  
1.20 locations operated by the applicant; and

1.21 (3) the applicant's occupation or profession, for the ten years immediately preceding the  
1.22 application; present or previous connection with any other currency exchange in this or any  
1.23 other state; whether the applicant has ever been convicted of any crime; and the nature of  
1.24 the applicant's occupancy of the premises to be licensed; and if the applicant is a partnership  
1.25 or a corporation, the information specified in this paragraph must be supplied for each  
1.26 partner and each officer and director of the corporation. If the applicant is a partnership or  
1.27 a nonpublicly held corporation, the information specified in this paragraph must be required  
1.28 of each partner and each officer, director, and stockholders owning in excess of ten percent  
1.29 of the corporate stock of the corporation.

2.1 (b) The application shall be accompanied by a nonrefundable fee of \$1,000 for the review  
2.2 of the initial application. Upon approval by the commissioner, an additional license fee of  
2.3 \$500 must be paid by the applicant as an annual license fee for the remainder of the calendar  
2.4 year. An annual license fee of \$500 is due for each subsequent calendar year of operation  
2.5 upon submission of a license renewal application on or before September 1. Fees must be  
2.6 deposited in the state treasury and credited to the general fund. Upon payment of the required  
2.7 annual license fee, the commissioner shall issue a license for the year beginning January 1.

2.8 (c) The commissioner shall require the applicant to submit to a background investigation  
2.9 conducted by the Bureau of Criminal Apprehension as a condition of licensure. As part of  
2.10 the background investigation, the Bureau of Criminal Apprehension shall conduct criminal  
2.11 history checks of Minnesota records and is authorized to exchange fingerprints with the  
2.12 Federal Bureau of Investigation for the purpose of a criminal background check of the  
2.13 national files. The cost of the investigation must be paid by the applicant.

2.14 (d) Section 58A.04, subdivisions 2 and 3, apply to this section.

2.15 ~~(d)~~ (e) For purposes of this section, "applicant" includes an employee who exercises  
2.16 management or policy control over the company, a director, an officer, a limited or general  
2.17 partner, a manager, or a shareholder holding more than ten percent of the outstanding stock  
2.18 of the corporation.

2.19 Sec. 5. Minnesota Statutes 2018, section 53B.07, is amended by adding a subdivision to  
2.20 read:

2.21 Subd. 6. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
2.22 2 and 3, apply to this section."

2.23 Page 5, after line 2, insert:

2.24 "(f) Section 58A.04, subdivisions 2 and 3, apply to this section."

2.25 Page 5, after line 2, insert:

2.26 "Sec. 8. Minnesota Statutes 2018, section 56.02, is amended to read:

2.27 **56.02 APPLICATION FEE.**

2.28 (a) Application for license shall be in writing, under oath, and in the form prescribed by  
2.29 the commissioner, and contain the name and the address, both of the residence and place  
2.30 of business, of the applicant and, if the applicant is a copartnership or association, of every  
2.31 member thereof, and if a corporation, of each officer and director thereof; also the county

3.1 and municipality, with street and number, if any, where the business is to be conducted, and  
3.2 such further information as the commissioner may require. The applicant at the time of  
3.3 making application, shall pay to the commissioner the sum of \$500 as a fee for investigating  
3.4 the application, and the additional sum of \$250 as an annual license fee for a period  
3.5 terminating on the last day of the current calendar year. In addition to the annual license  
3.6 fee, every licensee hereunder shall pay to the commissioner the actual costs of each  
3.7 examination, as provided for in section 56.10. All moneys collected by the commissioner  
3.8 under this chapter shall be turned over to the commissioner of management and budget and  
3.9 credited by the commissioner of management and budget to the general fund of the state.

3.10 (b) Every applicant shall also prove, in form satisfactory to the commissioner, that the  
3.11 applicant has available for the operation of the business at the location specified in the  
3.12 application, liquid assets of at least \$50,000.

3.13 (c) Section 58A.04, subdivisions 2 and 3, apply to this section."

3.14 Page 5, after line 9, insert:

3.15 "Sec. 10. Minnesota Statutes 2018, section 58.06, is amended by adding a subdivision to  
3.16 read:

3.17 Subd. 4. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
3.18 2 and 3, apply to this section."

3.19 Page 6, after line 2, insert:

3.20 "Sec. 13. Minnesota Statutes 2018, section 59A.03, is amended by adding a subdivision  
3.21 to read:

3.22 Subd. 4. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
3.23 2 and 3, apply to this section.

3.24 Sec. 14. Minnesota Statutes 2018, section 60A.031, subdivision 4, is amended to read:

3.25 **Subd. 4. Examination report; foreign and domestic companies.** (a) The commissioner  
3.26 shall make a full and true report of every examination conducted pursuant to this chapter,  
3.27 which shall include (1) a statement of findings of fact relating to the financial status and  
3.28 other matters ascertained from the books, papers, records, documents, and other evidence  
3.29 obtained by investigation and examination or ascertained from the testimony of officers,  
3.30 agents, or other persons examined under oath concerning the business, affairs, assets,  
3.31 obligations, ability to fulfill obligations, and compliance with all the provisions of the law

4.1 of the company, applicant, organization, or person subject to this chapter and (2) a summary  
4.2 of important points noted in the report, conclusions, recommendations and suggestions as  
4.3 may reasonably be warranted from the facts so ascertained in the examinations. The report  
4.4 of examination shall be verified by the oath of the examiner in charge thereof, and shall be  
4.5 prima facie evidence in any action or proceedings in the name of the state against the  
4.6 company, applicant, organization, or person upon the facts stated therein.

4.7 (b) No later than 60 days following completion of the examination, the examiner in  
4.8 charge shall file with the department a verified written report of examination under oath.  
4.9 Upon receipt of the verified report, the department shall transmit the report to the company  
4.10 examined, together with a notice which provides the company examined with a reasonable  
4.11 opportunity of not more than 30 days to make a written submission or rebuttal with respect  
4.12 to matters contained in the examination report.

4.13 (c) Within 30 days of the end of the period allowed for the receipt of written submissions  
4.14 or rebuttals, the commissioner shall fully consider and review the report, together with the  
4.15 written submissions or rebuttals and the relevant portions of the examiner's work papers  
4.16 and enter an order:

4.17 (1) adopting the examination report as filed or with modification or corrections. If the  
4.18 examination report reveals that the company is operating in violation of any law, rule, or  
4.19 prior order of the commissioner, the commissioner may order the company to take any  
4.20 action the commissioner considers necessary and appropriate to cure the violation;

4.21 (2) rejecting the examination report with directions to the examiners to reopen the  
4.22 examination for purposes of obtaining additional data, documentation, or information, and  
4.23 refiling the report as required under paragraph (b); or

4.24 (3) calling for an investigatory hearing with no less than 20 days' notice to the company  
4.25 for purposes of obtaining additional documentation, data, information, and testimony.

4.26 (d)(1) All orders entered under paragraph (c), clause (1), must be accompanied by  
4.27 findings and conclusions resulting from the commissioner's consideration and review of  
4.28 the examination report, relevant examiner work papers, and any written submissions or  
4.29 rebuttals. The order is a final administrative decision and may be appealed as provided  
4.30 under chapter 14. The order must be served upon the company by certified mail, together  
4.31 with a copy of the adopted examination report. Within 30 days of the issuance of the adopted  
4.32 report, the company shall file affidavits executed by each of its directors stating under oath  
4.33 that they have received a copy of the adopted report and related orders.

5.1 (2) A hearing conducted under paragraph (c), clause (3), by the commissioner or  
5.2 authorized representative, must be conducted as a nonadversarial confidential investigatory  
5.3 proceeding as necessary for the resolution of inconsistencies, discrepancies, or disputed  
5.4 issues apparent upon the face of the filed examination report or raised by or as a result of  
5.5 the commissioner's review of relevant work papers or by the written submission or rebuttal  
5.6 of the company. Within 20 days of the conclusion of the hearing, the commissioner shall  
5.7 enter an order as required under paragraph (c), clause (1).

5.8 (3) The commissioner shall not appoint an examiner as an authorized representative to  
5.9 conduct the hearing. The hearing must proceed expeditiously. Discovery by the company  
5.10 is limited to the examiner's work papers which tend to substantiate assertions in a written  
5.11 submission or rebuttal. The commissioner or the commissioner's representative may issue  
5.12 subpoenas for the attendance of witnesses or the production of documents considered relevant  
5.13 to the investigation whether under the control of the department, the company, or other  
5.14 persons. The documents produced must be included in the record. Testimony taken by the  
5.15 commissioner or the commissioner's representative must be under oath and preserved for  
5.16 the record.

5.17 This section does not require the department to disclose information or records which  
5.18 would indicate or show the existence or content of an investigation or activity of a criminal  
5.19 justice agency.

5.20 (4) The hearing must proceed with the commissioner or the commissioner's representative  
5.21 posing questions to the persons subpoenaed. Thereafter, the company and the department  
5.22 may present testimony relevant to the investigation. Cross-examination may be conducted  
5.23 only by the commissioner or the commissioner's representative. The company and the  
5.24 department shall be permitted to make closing statements and may be represented by counsel  
5.25 of their choice.

5.26 (e)(1) Upon the adoption of the examination report under paragraph (c), clause (1), the  
5.27 commissioner shall continue to hold the content of the examination report as private and  
5.28 confidential information for a period of 30 days except as otherwise provided in paragraph  
5.29 (b). Thereafter, the commissioner may open the report for public inspection if a court of  
5.30 competent jurisdiction has not stayed its publication.

5.31 (2) Nothing contained in this subdivision prevents or shall be construed as prohibiting  
5.32 the commissioner from disclosing the content of an examination report, preliminary  
5.33 examination report or results, or any matter relating to the reports, to the Commerce  
5.34 Department or the insurance department of another state or country, or to law enforcement

6.1 officials of this or another state or agency of the federal government at any time, if the  
6.2 agency or office receiving the report or matters relating to the report agrees in writing to  
6.3 hold it confidential and in a manner consistent with this subdivision.

6.4 (3) If the commissioner determines that regulatory action is appropriate as a result of an  
6.5 examination, the commissioner may initiate proceedings or actions as provided by law.

6.6 (f) All working papers, scheduling orders, recorded information, documents and copies  
6.7 thereof produced by, obtained by, or disclosed to the commissioner or any other person in  
6.8 the course of an examination made under this subdivision, or in the course of market analysis,  
6.9 including documents related to scheduling conferences, must be given confidential treatment  
6.10 and are not subject to subpoena and may not be made public by the commissioner or any  
6.11 other person, except to the extent provided in paragraph (e). Access may also be granted to  
6.12 the National Association of Insurance Commissioners (NAIC), the Financial Industry  
6.13 Regulatory Authority, and any national securities association registered under the Securities  
6.14 Exchange Act of 1934. The parties must agree in writing prior to receiving the information  
6.15 to provide to it the same confidential treatment as required by this section, unless the prior  
6.16 written consent of the company to which it pertains has been obtained. For purposes of this  
6.17 section, "market analysis" means a process whereby market conduct surveillance personnel  
6.18 collect and analyze information from filed schedules, surveys, required reports, such as the  
6.19 NAIC Market Conduct Annual Statement, or other sources in order to develop a baseline  
6.20 profile of an insurer, to review the operation or activity of an insurer, or to identify patterns  
6.21 or practices of insurers licensed to do business in this state that deviate significantly from  
6.22 the norm or that may pose a potential risk to the insurance consumer.

6.23 (g) Information in the possession or control of, or obtained or disclosed to, the  
6.24 commissioner in the course of, or derived from, market analysis, as defined in paragraph  
6.25 (f), by an insurance company and any scheduling order, supplement to a scheduling order,  
6.26 or documents related to a scheduling conference required under section 60A.033 is:

6.27 (1) subject to confidential treatment as provided under paragraph (f); and

6.28 (2) not subject to subpoena or other discovery nor admissible in evidence in a private  
6.29 civil action. Neither the commissioner nor any person who received information while acting  
6.30 under the authority of the commissioner is permitted or required to testify in a private civil  
6.31 action concerning the information. Nothing in this paragraph limits the ability of the  
6.32 commissioner to use the information in furtherance of an action brought by the commissioner.

7.1 (h) Requests for information issued by the commissioner to an insurance company in  
7.2 the course of a market analysis, as defined in paragraph (f), must be issued under the  
7.3 commissioner's authority as provided in this section.

7.4 (i) Notwithstanding paragraph (h), the commissioner may request information from an  
7.5 insurance company pursuant to the commissioner's authority under section 45.027,  
7.6 subdivision 1a or 2, if:

7.7 (1) the request for information is in connection with an unresolved consumer complaint;  
7.8 or

7.9 (2) there is an imminent risk of significant harm to a consumer.

7.10 (j) Requests for information from the commissioner to an insurance company under  
7.11 paragraph (i) are not subject to section 60A.033."

7.12 Page 6 delete section 10

7.13 Pages 9 to 12, delete sections 14 to 18 and insert:

7.14 "Sec. 20. Minnesota Statutes 2018, section 82C.03, subdivision 2, is amended to read:

7.15 Subd. 2. **Owner requirements.** (a) An appraisal management company applying to the  
7.16 commissioner for a license in this state ~~may~~ must not be ~~more than ten percent~~ owned by  
7.17 any person that is currently subject to any cease and desist order or injunctive order that  
7.18 would preclude involvement with an appraisal management company, or that has ever:

7.19 (1) voluntarily surrendered in lieu of disciplinary action an appraiser certification,  
7.20 registration or license, or an appraisal management company license;

7.21 (2) been the subject of a final order revoking or denying an appraiser certification,  
7.22 registration or license, or an appraisal management company license; or

7.23 (3) a final order barring involvement in any industry or profession issued by this or  
7.24 another state or federal regulatory agency.

7.25 (b) A person that owns more than ten percent of an appraisal management company in  
7.26 this state shall:

7.27 (1) be of good moral character, as determined by the commissioner;

7.28 (2) submit to a background investigation, as determined by the commissioner; and

7.29 (3) certify to the commissioner that the person has never been the subject of an order of  
7.30 certificate, registration or license suspension, revocation, or denial; cease and desist order;

8.1 injunctive order; or order barring involvement in an industry or profession issued by this  
8.2 or another state or federal regulatory agency.

8.3 Sec. 21. Minnesota Statutes 2018, section 82C.06, is amended to read:

8.4 **82C.06 EXEMPTIONS.**

8.5 This chapter does not apply to:

8.6 (1) a person that exclusively employs appraisers on an employer and employee basis  
8.7 for the performance of appraisals, and:

8.8 (i) the employer is responsible for ensuring that the appraisals are performed by  
8.9 employees in accordance with USPAP; and

8.10 (ii) the employer accepts all liability associated with the performance of the appraisal  
8.11 by the employee;

8.12 (2) a department or unit within a financial institution that is subject to direct regulation  
8.13 by an agency of the United States government, or to regulation by an agency of this state,  
8.14 that receives a request for the performance of an appraisal from one employee of the financial  
8.15 institution, and another employee of the same financial institution assigns the request for  
8.16 the appraisal to an appraiser that is an independent contractor to the institution, except that  
8.17 an appraisal management company that is a wholly owned subsidiary of a financial institution  
8.18 ~~shall not be~~ is considered a department or unit within a financial institution to which the  
8.19 provisions of this chapter do not apply;

8.20 (3) a person that enters into an agreement, whether written or otherwise, with an appraiser  
8.21 for the performance of an appraisal, and upon the completion of the appraisal, the report of  
8.22 the appraiser performing the appraisal is signed by both the appraiser who completed the  
8.23 appraisal and the appraiser who requested the completion of the appraisal, except that an  
8.24 appraisal management company may not avoid the requirements of this chapter by requiring  
8.25 that an employee of the appraisal management company that is an appraiser to sign an  
8.26 appraisal that is completed by an appraiser that is part of the appraisal panel of the appraisal  
8.27 management company; or

8.28 (4) any governmental agency performing appraisals on behalf of that level of government  
8.29 or any agency performing ad valorem tax appraisals for county assessors.

9.1 Sec. 22. Minnesota Statutes 2018, section 82C.15, is amended to read:

9.2 **82C.15 ADJUDICATION OF DISPUTES BETWEEN AN APPRAISAL**  
9.3 **MANAGEMENT COMPANY AND AN INDEPENDENT APPRAISER.**

9.4 ~~Except within the first 30 days after an independent appraiser is first added to the~~  
9.5 ~~appraiser panel of an appraisal management company,~~ An appraisal management company  
9.6 may not remove an appraiser from its appraiser panel, or otherwise refuse to assign requests  
9.7 for real estate appraisal services to an independent appraiser without:

9.8 (1) notifying the appraiser in writing of the reasons why the appraiser is being removed  
9.9 from the appraiser panel or is not receiving appraisal requests from the appraisal management  
9.10 company;

9.11 (2) if the appraiser is being removed from the panel for illegal conduct, having determined  
9.12 that the appraiser has violated USPAP, or chapter 82B, taking into account the nature of  
9.13 the alleged conduct or violation; and

9.14 (3) providing an opportunity for the appraiser to respond and appeal the notification of  
9.15 the appraisal management company.

9.16 Sec. 23. Minnesota Statutes 2018, section 216C.437, subdivision 11, is amended to read:

9.17 Subd. 11. **Powers of the commissioner.** (a) The commissioner has under this section  
9.18 the same powers the commissioner has under section 45.027, including the authority to  
9.19 impose a civil penalty not to exceed \$10,000 per violation.

9.20 (b) The commissioner may condition or refuse to renew a license for any of the reasons  
9.21 the commissioner may deny, suspend, or revoke a license.

9.22 (c) The commissioner may order restitution against persons subject to this section for  
9.23 violations of this section.

9.24 (d) The commissioner may issue orders or directives under this section as follows:

9.25 (1) order or direct persons subject to this chapter to cease and desist from conducting  
9.26 business, including immediate temporary orders to cease and desist;

9.27 (2) order or direct persons subject to this chapter to cease any harmful activities or  
9.28 violations of this chapter, including immediate temporary orders to cease and desist;

9.29 (3) enter immediate temporary orders to cease business under a license if the  
9.30 commissioner determines that the license was erroneously granted or the licensee is currently  
9.31 in violation of this chapter; and

10.1 (4) order or direct other affirmative action the commissioner considers necessary.

10.2 (e) Each violation or failure to comply with any directive or order of the commissioner  
10.3 is a separate and distinct violation or failure.

10.4 (f) Section 58A.04, subdivisions 2 and 3, apply to this section.

10.5 Sec. 24. Minnesota Statutes 2018, section 332.30, is amended to read:

10.6 **332.30 ACCELERATED MORTGAGE PAYMENT PROVIDER; BOND**  
10.7 **REQUIREMENTS.**

10.8 (a) Before beginning business in this state, an accelerated mortgage payment provider,  
10.9 as defined in section 332A.02, subdivision 8, clause (9), shall submit to the commissioner  
10.10 of commerce an authorization fee of \$250 and either:

10.11 (1) a surety bond in which the accelerated mortgage payment provider is the obligor, in  
10.12 an amount determined by the commissioner; or

10.13 (2) if the commissioner agrees to accept it, a deposit:

10.14 (i) in cash in an amount equivalent to the bond amount; or

10.15 (ii) of authorized securities, as defined in section 50.14, with an aggregate market value  
10.16 equal to the bond amount. The cash or securities must be deposited with the commissioner  
10.17 of management and budget.

10.18 (b) The amount of the bond required by the commissioner shall vary with the amount  
10.19 of Minnesota client funds held or to be held by the obligor. For new businesses, the bond  
10.20 must be no less than \$100,000, except as provided in section 332.301. The commissioner  
10.21 may increase the required bond amount upon 30 days' notice to the accelerated mortgage  
10.22 payment provider.

10.23 (c) If a bond is submitted, it must name as surety an insurance company authorized to  
10.24 transact fidelity and surety business in this state. The bond must run to the state of Minnesota  
10.25 for the use of the state and of any person who may have a claim against the obligor arising  
10.26 out of the obligor's activities as an accelerated mortgage payment provider. The bond must  
10.27 be conditioned that the obligor will not commit any fraudulent act and will faithfully conform  
10.28 to and abide by the provisions of accelerated mortgage payment agreements with Minnesota  
10.29 residents.

10.30 (d) If an accelerated mortgage payment provider has failed to account to a mortgagor  
10.31 or distribute funds to the mortgagee as required by an accelerated mortgage payment  
10.32 agreement, the mortgagor or the mortgagor's legal representative or receiver or the

11.1 commissioner shall have, in addition to any other legal remedies, a right of action in the  
11.2 name of the debtor on the bond or the security given pursuant to this section.

11.3 (e) Section 58A.04, subdivisions 2 and 3, apply to this section."

11.4 Page 12, after line 25, insert:

11.5 "Sec. 26. Minnesota Statutes 2018, section 332.54, is amended by adding a subdivision  
11.6 to read:

11.7 Subd. 8. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
11.8 2 and 3, apply to this section."

11.9 Page 14, after line 21, insert:

11.10 "Sec. 28. Minnesota Statutes 2018, section 332A.03, is amended to read:

11.11 **332A.03 REQUIREMENT OF REGISTRATION.**

11.12 (a) On or after August 1, 2007, it is unlawful for any person, whether or not located in  
11.13 this state, to operate as a debt management services provider or provide debt management  
11.14 services, including but not limited to offering, advertising, or executing or causing to be  
11.15 executed any debt management services or debt management services agreement, except  
11.16 as authorized by law without first becoming registered as provided in this chapter. A person  
11.17 who possesses a valid license as a debt prorater that was issued by the commissioner before  
11.18 August 1, 2007, is deemed to be registered as a debt management services provider until  
11.19 the date the debt prorater license expires, at which time the licensee must obtain a renewal  
11.20 as a debt management services provider in compliance with this chapter. Debt proraters  
11.21 who were not required to be licensed as debt proraters before August 1, 2007, may continue  
11.22 to provide debt management services without complying with this chapter to those debtors  
11.23 who entered into a contract to participate in a debt management plan before August 1, 2007,  
11.24 except that the debt prorater must comply with section 332A.13, subdivision 2.

11.25 (b) Section 58A.04, subdivisions 2 and 3, apply to this section.

11.26 Sec. 29. Minnesota Statutes 2018, section 332B.04, is amended by adding a subdivision  
11.27 to read:

11.28 Subd. 8. **Records and fees; maintenance and processing.** Section 58A.04, subdivisions  
11.29 2 and 3, apply to this section."

11.30 Renumber the sections in sequence

12.1 Correct the title numbers accordingly