

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 3188**

(SENATE AUTHORS: HOUSLEY and Ruud)

DATE	D-PG	OFFICIAL STATUS
03/12/2018	6417	Introduction and first reading
		Referred to Commerce and Consumer Protection Finance and Policy
03/21/2018		Comm report: To pass as amended
		Second reading

1.1 A bill for an act

1.2 relating to insurance; requiring insurers to notify insureds of the statutory

1.3 prohibition against payment of rebates or deductibles by residential contractors;

1.4 requiring contractors and insurer to notify; amending Minnesota Statutes 2016,

1.5 section 325E.66, subdivision 1.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2016, section 325E.66, subdivision 1, is amended to read:

1.8 Subdivision 1. **Payment or rebate of insurance deductible.** A residential contractor

1.9 providing home repair or improvement services to be paid by an insured from the proceeds

1.10 of a property or casualty insurance policy shall not, as an inducement to the sale or provision

1.11 of goods or services to an insured, advertise or promise to pay, directly or indirectly, all or

1.12 part of any applicable insurance deductible or offer to compensate an insured for providing

1.13 any service to the insured. If a residential contractor violates this section, the insurer to

1.14 whom the insured tendered the claim shall not be obligated to consider the estimate prepared

1.15 by the residential contractor. The residential contractor must provide a written explanation

1.16 of the requirements of this section with its initial estimate. The adjuster or insurer must

1.17 provide a written explanation of the requirements of this section in the initial estimate

1.18 relating to the claim.

1.19 For purposes of this section, "residential contractor" means a residential roofer, as defined

1.20 in section 326B.802, subdivision 14; a residential building contractor, as defined in section

1.21 326B.802, subdivision 11; and a residential remodeler, as defined in section 326B.802,

1.22 subdivision 12.