A bill for an act
relating to insurance; requiring notification of the statutory prohibition against
payment of rebates or deductibles by residential contractors; amending Minnesota

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

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

Subdivision 1. Payment or rebate of insurance deductible. A residential contractor
providing home repair or improvement services to be paid by an insured from the proceeds
of a property or casualty insurance policy shall not, as an inducement to the sale or provision
of goods or services to an insured, advertise or promise to pay, directly or indirectly, all or
part of any applicable insurance deductible or offer to compensate an insured for providing
any service to the insured. If a residential contractor violates this section, the insurer to
whom the insured tendered the claim shall not be obligated to consider the estimate prepared
by the residential contractor. The residential contractor must provide a written notification
of the requirements of this section with its initial estimate. The adjuster or insurer must
provide a written notification of the requirements of this section in the initial estimate relating
to the claim.

For purposes of this section, "residential contractor" means a residential roofer, as defined
in section 326B.802, subdivision 14; a residential building contractor, as defined in section
326B.802, subdivision 11; and a residential remodeler, as defined in section 326B.802,
subdivision 12.