

Attention: All licensed insurance adjustors, bullion product dealers, currency exchange branches, collection agencies and registered collectors, and debt management and settlement services providers

Re: Regulatory Guidance regarding surety bonds filed with the Department

Date: April 15, 2020

Regulatory Guidance 20-17 Issued April 15, 2020

Authority.

On March 13, 2020, Governor Tim Walz signed Executive Order 20-01, declaring a peacetime emergency related to COVID-19.

On April 13, 2020, Governor Tim Walz signed Executive Order 20-35, extending the COVID-19 peacetime emergency declared in Executive Order 20-01.

In light of the challenges related to the COVID-19 virus and the declaration of a peacetime emergency, the Commissioner of Commerce has issued Regulatory Guidance 20-17 under the Commissioner of Commerce's authority found in Minn. Stat. § 325L.17.

Guidance.

The Commissioner recognizes that because of the concerns surrounding the COVID-19 outbreak, individuals will be unable to execute surety bonds that require multiple signatures that must be signed in the presence of a notary. To address this issue, the Department has decided to temporarily accept surety bonds that have electronic signatures pursuant to Minn. Stat. § 325L.17 and that have been notarized by a remote online notary public. This decision is effective immediately and applies to all surety bonds submitted as part of new applications, amendments, and renewals filed during the declared peacetime emergency, so long as the following criteria are met:

- 1) Electronic signatures need to be authenticated by a third-party digital software, such as DocuSign and Adobe Sign, so it includes the date and time of the signature, an authentication code, and is attributable to the person intending to sign the document.
- 2) The Department will not accept as an electronic signature an image of a signature that is placed on the bond form by digitally copying and pasting it onto the document; a signature created by selecting a script or calligraphy font for the typed name of the person, or a typed name that appears following /s/.

- 3) Remote online notarization must be performed by a remote online notary public currently registered with the Minnesota Secretary of State and pursuant to the procedures set forth in Minn. Stat. § 358.645, subd. 7.

Please note that this temporary regulatory guidance is only that the Department will temporarily accept surety bonds with electronic signatures that have been remotely notarized. This policy does not apply to NMLS electronic surety bonds (“ESB”). Licensees that file ESBs through NMLS may continue to do so as allowed. All other legal requirements under Chapters 53A, 65B, 72B, 79A, 80G, 332; 332A, and 332B, and other applicable law are still in force.

Questions.

If you have specific questions, please email sarah.gillaspey@state.mn.us.

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