

Gender Revision of 1986

Revising
Minnesota Statutes 1984

as supplemented by
Minnesota Statutes 1985 Supplement

Minnesota Legislature
Office of the Revisor of Statutes

PLEASE DIRECT
COMMENTS OR QUESTIONS
TO

REVISOR'S OFFICE

c/o RICK SANDS

(651) 296-2798

OR

MARYANN CORBETT

(651) 297-2952

700 STATE OFFICE BLDG

ST. PAUL 55155

AN ACT

1

2 relating to statutes; adopting as amended a gender
3 neutral revision of Minnesota Statutes; providing for
4 no substantive change; granting certain editorial
5 authority to the revisor of statutes; amending
6 Minnesota Statutes 1984, sections 3C.10, subdivision
7 1; and 645.44, by adding a subdivision.

8

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

10 Section 1. [REVISION ADOPTED.]

11 The proposed amendments to Minnesota Statutes made by the
12 document named "Gender Revision of 1986," certified on January
13 24, 1986, and filed with the secretary of state on January 24,
14 1986, are adopted.

15 Sec. 2. [CONFLICTS.]

16 With respect only to the treatment of gender specific
17 terms, an amendment adopted by section 1 prevails over a
18 conflicting amendment in another law enacted in 1986. In all
19 other respects the amendment in the other law prevails. The
20 revisor need not publish in Minnesota Statutes the parts of the
21 amendments that do not prevail.

22 Sec. 3. [NO SUBSTANTIVE CHANGE.]

23 The amendments adopted by section 1 do not change the
24 substance of the statutes amended.

25 Sec. 4. Minnesota Statutes 1984, section 3C.10,
26 subdivision 1, is amended to read:

1 Subdivision 1. [EDITORIAL POWERS FOR STATUTES.] The
2 revisor's office, in preparing printer's copy for editions of
3 statutes, may not alter the sense, meaning, or effect of any
4 legislative act, but may:

5 (a) renumber sections or subdivisions and parts of sections
6 or subdivisions;

7 (b) change the wording of headnotes;

8 (c) rearrange sections or subdivisions;

9 (d) combine sections or subdivisions into other sections or
10 other subdivisions, or both;

11 (e) divide sections or subdivisions into other sections or
12 subdivisions so as to give to distinct subject matters a section
13 or subdivision number;

14 (f) substitute the proper section, chapter, or subdivision
15 numbers for the terms "this act," "the preceding section," and
16 the like;

17 (g) substitute figures for written words and vice versa;

18 (h) substitute the date on which the law becomes effective
19 for the words "the effective date of this act," and the like;

20 (i) change capitalization for the purpose of uniformity;

21 (j) correct manifest clerical, typographical, grammatical,
22 or punctuation errors;

23 (k) correct words misspelled in enrollments;

24 (l) change reference numbers to agree with renumbered
25 chapters, sections, or subdivisions;

26 (m) delete the phrases "Minnesota Statutes," "Minnesota
27 Statutes 1980," and phrases identifying other editions of and
28 supplements to Minnesota Statutes if the phrases are used in a
29 reference to a statutory section; and

30 (n) replace gender specific words with gender neutral words
31 and, if necessary, recast the sentences containing gender
32 specific words; and

33 (o) make similar editorial changes to ensure the accuracy
34 and utility of the publication.

35 Sec. 5. Minnesota Statutes 1984, section 645.44, is
36 amended by adding a subdivision to read:

1 Subd. 1b. [CHAIR.] "Chair" includes chairman, chairwoman,
2 and chairperson.

3 Sec. 6. [AMENDMENTS.]

4 Volume 2 of The Gender Revision of 1986 as adopted under
5 section 1 is amended as follows:

6 Page 282, line 66, strike "hunter,"

7 Page 282, line 67, delete "fisher" and strike ", trapper,
8 tourist or vacationist" and insert "person"

9 Page 284, line 2, before "license" insert "fishing" and
10 after the stricken "fisherman" delete "fisher" and insert
11 "person"

12 Page 294, line 35, delete "fishers" and insert "licensees"

13 Page 296, line 13, strike "licensed" and delete "fishers"
14 and insert "fishing licensees"

15 Page 296, line 17, strike "licensed" and delete "fishers"
16 and insert "fishing licensees"

17 Page 300, line 53, strike "licensed" and delete "fishers"
18 and insert "fishing licensees"

19 Sec. 7. [REVISOR'S INSTRUCTION.]

20 The revisor shall restore the term "airman" wherever it
21 appeared in Minnesota Statutes before the gender revision of
22 1986 was prepared and shall delete whatever was substituted for
23 it in the gender revision.

24 Sec. 8. [REVISOR'S INSTRUCTION.]

25 The revisor shall restore the term "sportsmen's club"
26 wherever it appeared in Minnesota Statutes before the gender
27 revision of 1986 was prepared and shall delete whatever was
28 substituted for it in the gender revision.

29 Sec. 9. [REVISOR'S INSTRUCTION.]

30 The revisor shall restore the terms "father" and "mother"
31 wherever they appeared in Minnesota Statutes before the gender
32 revision of 1986 was prepared and shall delete whatever was
33 substituted for them in the gender revision.

34 Sec. 10. [AMENDMENT; VOLUME 8.]

35 Volume 8 of the Gender Revision of 1986 as adopted under
36 section 1 is amended as follows:

- 1 Page 370, line 48, delete "sexual capacity" and insert
- 2 "virility".

AIRMAN RESTORED

As directed by Laws 1986, chapter 444, section 7, the Revisor has restored the term "airman" (also "airmen") to Minnesota Statutes and deleted whatever was substituted for it in the gender revision. The volumes, sections of the statutes, and the pages and lines of those sections as printed in the gender revision where the terms to be restored and deleted occurred, are shown in the list below. The language after the restorations and deletions were made appears in Minnesota Statutes 1986. There were two occurrences where "aviation worker" was substituted for a pronoun in the gender revision. In those two instances, "aviation worker" has been deleted and "airman" substituted in keeping with the intent of Laws 1986, chapter 444, section 7.

Section 190.05, volume 4, page 178, line 50

Section 360.013, volume 6, page 286, line 19

Section 360.015, volume 6, page 287, line 25

Section 360.018, volume 6, page 290, lines 38 and 45

Section 360.018, volume 6, page 291, lines 11 and 65

Section 360.018, volume 6, page 292, lines 11, 17, 30, 37, 38, and 43

Section 360.075, volume 6, page 299, lines 65 and 70

Section 360.075, volume 6, page 300, lines 73, 74, 75, and 76

SPORTSMEN'S CLUB

Under Laws 1986, chapter 444, section 8, the Revisor was directed to restore the term "sportsmen's club" to Minnesota Statutes where it was changed by the gender revision of 1986. The term "sportsmen's club" did not appear in Minnesota Statutes before the gender revision and so was not changed by the Revisor. The term "sportsmen's organization" appeared three times. Two of the occurrences are in the game and fish law recodification that supersedes the gender revision (Laws 1986, chapter 386). The recodification substitutes the term "sporting organization" for "sportsmen's organization." The third occurrence of "sportsmen's organization" was in Minnesota Statutes, section 112.44, and was changed by the gender revision to "sporting organization." The term "sporting organization," a generic description that presumably would include "sportsmen's club," and which is consistent with the term used in the game and fish recodification, is retained in the revision and in Minnesota Statutes, section 112.44.

MOTHER AND FATHER

As directed in Laws 1986, chapter 444, section 9, the terms "father" and "mother," which were removed once each by the gender revision, have been restored, and the word "parent," which was substituted in the revision for "mother" and "father," was deleted. The words occur in section 171.04, and the changes will appear in Minnesota Statutes 1986.

LAWS OF MINNESOTA FOR 1984, CHAPTER 480, SECTION 21

"Sec. 21. [MINNESOTA STATUTES; GENDER-SPECIFIC TERMINOLOGY TO BE REMOVED.]

Subdivision 1. [GUIDELINES FOR REVISION.] The revisor of statutes shall prepare guidelines for the removal from Minnesota Statutes, without substantive change in legal effect, of specific-gender references applicable to human beings. The guidelines shall be similar to the guidelines for style and form bills drafted under Minnesota Statutes, section 482.09, paragraph 6, and section 648.37, subdivision 2. The guidelines shall provide for preferred and alternative methods of removing specific-gender references. The guidelines shall give specific attention to replacing masculine pronouns and possessives with either neutral or equal references. Specific-gender references may be retained only when necessary to avoid changes in legal effect or where the context requires the retention. The revisor should not use coined or otherwise artificial words in substitution for specific-gender references. The revisor shall not mechanically replace masculine pronouns and possessives with masculine and feminine equivalents but shall avoid repetition and preserve normal English word patterns.

Subd. 2. [PREPARATION OF REVISION.] The revisor shall prepare a revision of Minnesota Statutes accomplishing the changes following the prepared guidelines. The text of the revised Minnesota Statutes must show all changes by strikes and underlines in a fashion similar to bill drafts.

The legislature intends that the work of revising Minnesota Statutes be performed with existing staff and other resources. However, the revision is to be given high priority among the tasks that are or will also be assigned.

If the revisor needs additional substantive authorization or clarification of the authority provided in this section in order to complete the revision, then the revisor shall request it.

Subd. 3. [COPIES TO CONCERNED PARTIES; RECOMMENDATIONS.] The revisor shall provide a copy of the proposed revision of a statute to any agency involved in administering a statute. If no agency is involved, then a copy must be furnished to the attorney general. The revisor shall also furnish a copy to any person requesting a copy. The revisor shall receive recommendations of anyone caring to submit them before preparing a final revision of the statutes.

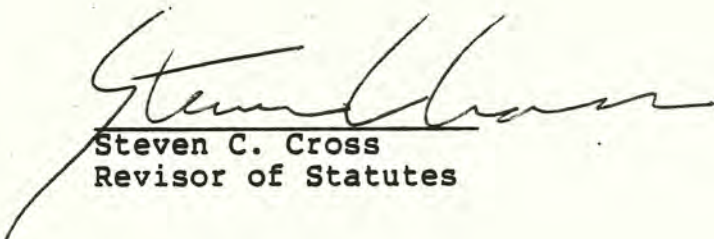
Subd. 4. [FILING AND ADOPTION.] When the revision is complete, the revisor shall certify it and file it with the secretary of state. The revisor shall file it not later than January 1, 1988. The legislature intends to amend Minnesota Statutes by reference to the revision prepared by the revisor and filed with the secretary of state. No change is effective until adopted by the legislature. The procedure for adoption will be that used to adopt Minnesota Revised Statutes 1943. The legislature may amend the revisor's revision when adopting the revision.

Subd. 5. [OVERSIGHT.] The revisor's work on this revision shall be monitored by the revisor's bill subcommittee that is usually appointed by the judiciary committees of the two houses."

REVISOR'S CERTIFICATE

I, Steven C. Cross, am the Revisor of Statutes for the Minnesota Legislature. I certify that the document accompanying this certificate and named Gender Revision of 1986 is a revision of Minnesota Statutes 1984, as supplemented by Minnesota Statutes 1985 Supplement. The revision is limited to the changes necessary to remove gender-specific terms from those statutes. The revision was prepared according to Laws of Minnesota 1984, chapter 480, section 21. The revision was prepared by my office under my direction.

January 24, 1986
Date


Steven C. Cross
Revisor of Statutes

Gender Revision of 1986

Volume 1

**Revising
Minnesota Statutes
Chapters 1 – 56**

001*#141S

1 1.141 OFFICIAL STATE FLAG.
2 No change for subd 1
3 Subd. 2. The secretary of state shall file a photograph of
4 the state flag. ~~He~~ The secretary shall also retain custodial *
5 control over the sample design flag of the commission for use by
6 the public for copies.
7 No change for subd 3 to 5

001*#17S

8 1.17 RATIFICATION.
9 The Governor of Minnesota shall witness the ratification of
10 this compact by the State of Minnesota by executing the final
11 draft ~~in-his-own-name~~ as Governor of the State of Minnesota and *
12 affixing the seal of the State of Minnesota.

001*#26S

13 1.26 ENEMY ATTACK, TEMPORARY RELOCATION OF SEATS OF
14 GOVERNMENT.
15 No change for subd 1
16 Subd. 2. STATE GOVERNMENT. When, due to an emergency
17 resulting from the effects of enemy attack, or the anticipated
18 effects of a threatened enemy attack, it becomes imprudent,
19 inexpedient or impossible to conduct the affairs of state
20 government in the city of St. Paul, Ramsey county, Minnesota,
21 the governor shall, as often as the exigencies of the situation
22 require, by proclamation, declare an emergency temporary
23 location, or locations, for the seat of government at a place,
24 or places, in or out of the state as ~~he~~ the governor deems *
25 advisable under the circumstances, and shall take action and
26 issue orders as necessary for an orderly transition of the
27 affairs of state government to the emergency temporary location,
28 or locations. The emergency temporary location, or locations,
29 shall remain the seat of government until the legislature by law
30 establishes a new location, or locations, or until the emergency
31 is declared to be ended by the governor and the seat of
32 government is returned to its normal location.
33 No change for subd 3 to 6

001*#34S

34 1.34 LEGISLATIVE ADVISORY COMMITTEE.
35 No change for subd 1
36 Subd. 2. The members of the legislative advisory committee
37 shall select a ~~chairman~~ chair and other officers as deemed *
38 necessary.

001*#35S

39 1.35 TECHNICAL ADVISORY TASK FORCE.
40 No change for subd 1
41 Subd. 2. The members of the technical advisory task force
42 shall select a ~~chairman~~ chair and other officers as deemed *
43 necessary.

001*#39S

44 1.39 BUDGET.
45 The Minnesota commissioners shall submit a budget of the
46 estimated expenditures of the commission from time to time to
47 the commissioner of administration for the period and in the
48 form ~~he~~ the commissioner of administration requires. *

001*#40S

49 1.40 APPROPRIATION.
50 Money appropriated by Minnesota for the support of the
51 commission shall be paid in amounts and at times as the
52 Minnesota commissioners direct. A sufficient amount of the
53 money appropriated shall be withheld to reimburse the Minnesota
54 members of the commission and the members of the advisory
55 committees for their expenses. Expenses of the commissioners
56 shall be paid on the authorization of the ~~chairman~~ chair of the *
57 commission, or upon the authorization of any other person
58 designated by it. Expenses of the members of the two advisory
59 committees shall be paid on the authorization of the respective
60 ~~chairmen~~ chairs or any other member designated by the respective *
61 committees.

002*#724S

62 2.724 CHIEF JUSTICE OF SUPREME COURT, DUTIES.
63 Subdivision 1. When public convenience and necessity
64 require it, the chief justice of the supreme court may assign
65 any judge of any court to serve and discharge the duties of
66 judge of any court in a judicial district not ~~his~~ that judge's *
67 own at such times as the chief justice may determine. A judge

1 may appeal ~~his~~ an assignment to serve on a court in a judicial
 2 district not ~~his~~ that judge's own to the supreme court and the
 3 appeal shall be decided before the assignment is effective.
 4 Notwithstanding the provisions of this subdivision, no judge
 5 shall be assigned to serve on a court in a judicial district
 6 which is located more than 50 miles from the boundary of ~~his~~
 7 that judge's judicial district for more than 15 working days in
 8 any 12 month period, unless ~~he~~ the judge consents to the
 9 assignment.

10 A transferred judge shall be subject to the assignment
 11 powers of the chief judge of the judicial district to which ~~he~~
 12 the judge is transferred.

13 Subd. 2. PROCEDURE. To promote and secure more
 14 efficient administration of justice, the chief justice of the
 15 supreme court of the state shall supervise and coordinate the
 16 work of the courts of the state. The supreme court may provide
 17 by rule that the chief justice not be required to write opinions
 18 as a member of the supreme court. Its rules may further provide
 19 for it to hear and consider cases in divisions. It may by rule
 20 assign temporarily any retired justice of the supreme court or
 21 one judge of the court of appeals or district court judge at a
 22 time to act as a justice of the supreme court or any number of
 23 justices or retired justices of the supreme court to act as
 24 judges of the court of appeals. Upon the assignment of a court
 25 of appeals judge or a district court judge to act as a justice
 26 of the supreme court, a judge previously acting as a justice may
 27 complete ~~his~~ unfinished duties of that position. Any number of
 28 justices may disqualify themselves from hearing and considering
 29 a case, in which event the supreme court may assign temporarily
 30 a retired justice of the supreme court, a court of appeals
 31 judge, or a district court judge to hear and consider the case
 32 in place of each disqualified justice. ~~At any time that~~ A
 33 retired justice who is acting as a justice of the supreme court
 34 or judge of the court of appeals under this section, ~~he~~ shall
 35 receive, in addition to ~~his~~ retirement pay, out of the general
 36 fund of the state, an amount to make ~~his~~ the retired justice's
 37 total compensation equal to the same salary as a justice or
 38 judge of the court on which ~~he~~ the justice is acting.

39 No change for subd 3

40 Subd. 4. The chief justice shall exercise general
 41 supervisory powers over the courts in the state. ~~His, with~~
 42 powers ~~shall include~~ including, but not be limited to:

- 43 (a) Supervision of the courts' financial affairs, programs
 44 of continuing education for judicial and nonjudicial personnel
 45 and planning and operations research;
 46 (b) Serving as chief representative of the court system and
 47 as liaison with other governmental agencies for the public; and
 48 (c) Supervision of the administrative operations of the
 49 courts.

50 The chief justice may designate other justices or judges to
 51 assist ~~him~~ in the performance of ~~his~~ duties.

003*#05S

52 3.05 ORGANIZATION.

53 At noon of the day appointed for the convening of the
 54 legislature, the members thereof shall meet in their respective
 55 chambers. The lieutenant governor shall call the senate to
 56 order; and the secretary of state, the house of
 57 representatives. In the absence of either of these officers,
 58 the oldest member present shall act in ~~his~~ the officer's place.
 59 The person so acting shall appoint, from the members present, a
 60 clerk pro tem, who shall call the legislative districts in the
 61 order of their numbers; and, as each is called, the persons
 62 claiming to be members therefrom shall present their
 63 certificates to be filed. All whose certificates are so
 64 presented shall then stand and be sworn.

003*#07S

65 3.07 ADDITIONAL EMPLOYEES.

66 Each house, after its organization, may appoint and at
 67 pleasure remove such employees as are provided for by its
 68 permanent rules or recommended by its committee on legislative
 69 expense. All officers and employees shall be paid by the day
 70 and shall receive such compensation as is provided by the
 71 permanent rules of the electing or appointing body or
 72 recommended by its committee on legislative expense; and, unless
 73 otherwise expressly provided by law, no such officer or employee
 74 shall receive any other compensation for ~~his~~ services.

003*#082S

1 3.082 MEMBERS' EMPLOYMENT; CONTINUATION.

2 Any member of the legislature of the state of Minnesota who
3 held a position, other than a temporary position, in the employ
4 of any private employer in Minnesota at the commencement of his *
5 service in any legislative session, who makes application for
6 reemployment not later than 30 days after the last legislative
7 day in each calendar year, shall be continued in or restored to
8 such position, or to a position of like seniority, status and
9 pay. Retirement benefits under an employer-sponsored pension or
10 retirement plan shall not be reduced by reason of time spent in
11 legislative service.

003*#083S

12 3.083 RETENTION OF SENIORITY, FRINGE BENEFITS AND TENURE.

13 Subdivision 1. Any member of the legislature who is
14 continued in or restored to a position in accordance with the
15 provisions of section 3.082 shall be so continued or restored
16 without loss of seniority, shall be entitled to participate in
17 insurance or other benefits offered by the employer pursuant to
18 its established rules and practices, and shall not be discharged
19 from such position for a period of three years after his the *
20 continuation or restoration except in the reverse order of his *
21 seniority with the employer within the field of the legislator's
22 training and experience without good cause after such
23 continuation or restoration.

24 Subd. 2. No employer or employee organization may at any
25 time discharge or otherwise discriminate against an employee or
26 member who is or was a member of the legislature in retribution
27 for statements made or beliefs held by the employee or member in
28 his the capacity as a member of the legislature. For purposes *
29 of this subdivision "employee organization" means any union or
30 organization of employees which exists for the purpose, in whole
31 or in part, of collective bargaining or of dealing with
32 employers concerning grievances or term or conditions of
33 employment.

003*#088S

34 3.088 LEAVE OF ABSENCE.

35 Subdivision 1. LEAVE OF ABSENCE WITHOUT PAY.

36 Subject to the conditions prescribed by this section, any
37 appointed officer or employee of any political subdivision,
38 municipal corporation, or school district of the state or
39 institution of learning maintained by the state who serves as a
40 state legislator during a session or is elected to any full time
41 city or county office in Minnesota shall be entitled to a leave
42 of absence from his the public office or employment without pay *
43 during any part or all of the service, with right of
44 reinstatement as provided in this section.

45 Subd. 2. REINSTATEMENT. Except as otherwise
46 provided in this section, upon the completion of the last
47 legislative day in each calendar year, or in the case of an
48 elected city or county official, on the completion of the final
49 day of the term to which he the official was elected, the *
50 officer or employee shall be reinstated in the public *
51 position ~~which-he~~ held at the time of entry into the legislature *
52 or at the time of taking office as a city or county officer, or *
53 shall be placed in a public position of like seniority, status, *
54 and pay if it is available at the same salary which he would *
55 have been received if ~~he-had-not-taken~~ the leave had not been *
56 taken, upon the following conditions: (1) that the position has *
57 not been abolished or that the term thereof, if limited, has not *
58 expired; (2) that he the legislator makes written application *
59 for reinstatement to the appointing authority within 30 days *
60 after the last legislative day in a calendar year or, in the *
61 case of an elected city or county official, within 30 days after *
62 the expiration of the term to which he the official was elected *
63 and; (3) that the request for reinstatement is made not later *
64 than 10 years after the granting of the leave. Upon *
65 reinstatement the officer or employee shall have the same rights *
66 with respect to accrued and future seniority status, efficiency *
67 rating, vacation, insurance benefits, sick leave, and other *
68 benefits as if ~~he-had-been~~ actually employed during the time of *
69 the leave. No public employer shall be required to compensate a *
70 reinstated employee or officer for any time spent by that *
71 employee or officer away from ~~his-or-her~~ work for the employer *
72 and on the business of the state legislature at any time during *
73 the period between the first and last legislative day in each

1 calendar year or on the business of any other elected city or
2 county office. No officer or employee reinstated shall be
3 removed or discharged within one year thereafter except for
4 cause, after notice and hearing; but this shall not operate to
5 extend a term of service limited by law.

6 Subd. 3. OFFICERS AND EMPLOYEES TO PRESERVE PENSION AND
7 RETIREMENT RIGHTS. Any public officer or employee receiving
8 leave of absence under this section or who is elected as a state
9 constitutional officer and having rights in any state,
10 municipal, or other public pension, retirement, or relief system
11 shall retain all the rights accrued up to the time of taking
12 leave. The time spent by the employee as a member of the
13 legislature or as an elected city or county official or who is
14 elected as a state constitutional officer shall be calculated in
15 the same manner as if ~~he~~ the employee had spent that time in the
16 service of ~~his~~ the public employer for the purpose of
17 determining vesting of ~~his~~ the employee's rights in the
18 employer's pension, retirement or relief system. Under no
19 circumstances shall two governmental units pay the employee's
20 share of pension contributions for that period on which ~~he~~ the
21 employee is on leave of absence to serve in the legislature or
22 as an elected city or county official.

23 Subd. 4. VACANCIES TO BE FILLED TEMPORARILY. When a
24 public officer or employee is absent with leave under the
25 provisions of this section and it is necessary in the public
26 interest to provide for the performance of the duties of ~~his~~ the
27 absentee's position during the absence, the authority having
28 power to fill a vacancy in the position may appoint a
29 substitute, to be known as acting incumbent, who shall qualify
30 as required for the regular incumbent, receive the same
31 compensation as fixed by law, or otherwise the compensation as
32 fixed by proper authority, and have all the powers and perform
33 all the duties of the position until the return of the regular
34 incumbent. This section shall not preclude the making of any
35 other provision for the discharge of the duties of the position
36 which may be otherwise authorized by law.

37 No change for subd 5

38 Subd. 6. Notwithstanding the provisions of any other law
39 or ordinance or the provisions of any state, municipal, or other
40 public retirement or relief association regulation or bylaw, a
41 person who has served as a member of the legislature and has
42 qualified for a legislative retirement pension or allowance
43 shall not be disqualified from receiving that retirement pension
44 or allowance by reason of the fact that ~~he~~ the person is
45 entitled to receive a public pension or retirement benefit as a
46 result of employment by another public employer, and the person
47 shall receive both the legislative retirement pension or
48 allowance and any state, municipal or other public pension or
49 retirement benefit for which ~~he~~ the person has qualified.

003*#096S

50 3.096 TRANSFER OF LEAVE.

51 An employee in the classified service who accepts a
52 position as a permanent employee of the legislature shall have
53 any accrued vacation or sick leave transferred and placed to ~~his~~
54 the employee's credit on the legislative records. A permanent
55 employee of the legislature who accepts a position in the
56 classified service shall have any accrued vacation or sick leave
57 transferred and placed to ~~his~~ the employee's credit on the
58 records of the new appointing authority.

003*#099S

59 3.099 MEMBERS; COMPENSATION AND EXPENSES, FLEXIBLE
60 SESSIONS.

61 Subdivision 1. The compensation of each member of the
62 legislature shall be due on the first day of the regular
63 legislative session of the term and payable in equal parts on
64 the fifteenth day of January in the first month of each term and
65 on the first day of each month thereafter, during the term for
66 which ~~he~~ the member was elected. The compensation of each
67 member of the legislature elected at a special election is due
68 on the day the member takes the oath of office and payable
69 within ten days of taking the oath, for the remaining part of
70 the month in which the oath was taken, and in equal parts
71 thereafter on the first day of each month during the term for
72 which ~~he~~ the member was elected.

73 Each member shall receive mileage for necessary travel in
74 going to and returning from the place of meeting to ~~his~~ the

1 member's place of residence in such amount and for such trips as *
2 may be authorized by the senate as to senate members, and by the
3 house of representatives as to house members.

4 Each member shall receive in addition to the foregoing,
5 such per diem living expenses during a regular or special
6 session of the legislature in such amounts and for such purposes
7 as may be determined by the senate as to senate members and by
8 the house of representatives as to house members; provided, that
9 because of the salary increases provided in subdivision 2, the
10 amount of the per diem living expenses payable pursuant to this
11 section during the 71st legislative session shall be set at a
12 level not to exceed \$27 for each member who has moved from ~~his~~ *
13 the member's usual place of lodging during a substantial part of *
14 the session and not to exceed \$17 for each member who has not so *
15 changed ~~his~~ the place of lodging. *

16 On the fifteenth day of January in the first month of each
17 term and on the first day of each month thereafter, the
18 secretary of the senate and the chief clerk of the house of
19 representatives, shall certify to the commissioner of finance,
20 in duplicate, the amount of compensation then payable to each
21 member of their respective houses, and the aggregate thereof.

22 No change for subd 2 to 3

003*#101S

23 3.101 LIVING EXPENSES.

24 A member of the legislature in addition to the compensation
25 and mileage otherwise provided for by law shall be reimbursed
26 for ~~his~~ living and other expenses incurred in the performance of *
27 ~~his~~ duties or engaging in official business during a regular *
28 session, a special session, and when the legislature is not in
29 session in the manner and in such amount as may be prescribed by
30 the senate committee on rules and administration as to senate
31 members and by the house committee on rules and legislative
32 administration as to house members.

003*#103S

33 3.103 SPECIAL SESSION LIVING EXPENSES.

34 Each member of the legislature, during a special session
35 thereof, shall be reimbursed for expenses incurred in the
36 performance of ~~his~~ duties in the same amounts, for the same *
37 purposes, and in the same manner as were authorized for the
38 members of the senate and the members of the house of
39 representatives at the last regular session occurring
40 immediately prior to such special session. Reimbursement for
41 travel, however, shall not exceed more than one round trip per
42 member per each seven calendar days in which the legislature
43 meets in such special session. This section applies to each
44 special session of the legislature commencing after May 24, 1971.

003*#14S

45 3.14 CONTEMPTS.

46 Each house may punish, as a contempt, any breach of its
47 privileges, or of the privileges of its members, but only for
48 one or more of the following offenses:

49 (1) Arresting or causing to be arrested, any member or
50 officer thereof, in violation of ~~his~~ the member's privilege from *
51 arrest;

52 (2) Disorderly conduct in its view and presence, or in the
53 view and presence of any of its committees, tending to interrupt
54 their proceedings;

55 (3) Giving or offering a bribe to any member, or attempting
56 by menace or by any corrupt or improper means, directly or
57 indirectly, to control or influence a member in giving or
58 withholding ~~his~~ the member's vote. No person shall be excused *
59 from attending and testifying before either house of the
60 legislature, or a committee thereof, for an alleged offense upon
61 an investigation in reference to such giving or offering of a
62 bribe, or attempting by menace or by any corrupt or improper
63 means, directly or indirectly, to control or influence a member
64 in giving or withholding ~~his~~ the member's vote upon the ground, *
65 or for the reason that the person's required testimony or *
66 evidence, documentary or otherwise, ~~required-of-him~~ may tend to *
67 convict ~~him~~ the person of a crime or subject ~~him~~ the person to a *
68 penalty or forfeiture; but no person shall be prosecuted, or
69 subjected to any penalty or forfeiture for, or on account of,
70 any transaction, matter, or thing concerning which ~~he~~ the person *
71 may so testify, or produce evidence, documentary or otherwise,
72 and no testimony, so given or produced, shall be received
73 against ~~him~~ he person upon any criminal investigation or *

1 proceeding.

003*#15S

2 3.15 PUNISHMENT FOR CONTEMPT.

3 Punishment for contempt shall be by imprisonment, but the
4 term thereof shall not extend beyond the session at which it is
5 inflicted. When either house shall direct the imprisonment of
6 any person for a contempt the keeper of the common jail of the
7 county in which the seat of government is situated shall receive
8 ~~such person and detain him~~, and then detain in close
9 confinement, the person during the term fixed by the order of
10 commitment, or until ~~he~~ the detainee is discharged by vote of
11 the committing body or by due process of law.

*
*
*

003*#151S

12 3.151 DISTURBING LEGISLATURE OR INTIMIDATING MEMBER.

13 Every person who shall wilfully disturb the legislature, or
14 either house thereof, while in session, or who shall commit any
15 disorderly conduct in the presence and view of either house
16 thereof, tending to interrupt its proceedings or impair the
17 respect due to its authority, or who, wilfully, by intimidation
18 or otherwise, shall prevent any member of the legislature from
19 attending any session of the house of ~~which he shall be a member~~
20 the member, or of any committee thereof, or from giving his the
21 member's vote upon any question which may come before such
22 house, or from performing any other official act, shall be
23 guilty of a gross misdemeanor.

*
*
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003*#153S

24 3.153 LEGISLATIVE SUBPOENAS.

25 No change for subd 1 to 2

26 Subd. 3. Any person served with a subpoena ~~shall also be~~
27 ~~served with a notice that he~~ may choose and be accompanied by
28 counsel ~~of his own choosing~~ in the event a personal appearance
29 is required and shall be served with a notice to that effect.

*
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*
*

30 In addition, any person served with a subpoena issued by a
31 legislative committee shall also be served with a copy of the
32 resolution or statute establishing the committee, and a general
33 statement ~~informing him~~ of the subject matter of the committee's
34 investigation or inquiry.

*

35 No change for subd 4 to 5

003*#16S

36 3.16 MEMBERS, OFFICERS OF, OR ATTORNEYS EMPLOYED BY,
37 EXCUSED FROM COURT DUTY.

38 No member or officer of, or any attorney employed by, the
39 legislature shall be compelled to attend as a witness in any
40 court of this state during the session of the legislature, or
41 while attending meetings of any legislative committee or
42 commission when the legislature is not in session unless the
43 court in which the action is pending, upon sufficient showing,
44 shall otherwise order with the consent of the presiding officer
45 of the body of which such witness is an employee or the consent
46 of the body of which such witness is a member. No cause or
47 proceeding, civil or criminal, in court or before any commission
48 or officer or referee thereof or motion or hearing therein, in
49 which a member or officer of, or any attorney employed by, the
50 legislature is a party, attorney, or witness shall be tried or
51 heard during the session of the legislature or while any member,
52 officer of, or attorney employed by the legislature is attending
53 meetings of any legislative committee or commission when the
54 legislature is not in session but shall be continued until the
55 legislature or the committee or commission meeting shall have
56 adjourned. The member or officer of, or any attorney employed
57 by, the legislature may, with the consent of the body of the
58 legislature of which ~~he~~ the person is a member or officer, or
59 employed by, waive this privilege and in this case the cause or
60 proceeding, motion, or hearing may be tried or heard at such
61 time as will not conflict with legislative duties.

*

003*#21S

62 3.21 NOTICE.

63 At least four months preceding the election, the attorney
64 general shall furnish to the secretary of state a statement of
65 the purpose and effect of all amendments proposed showing
66 clearly the form of the existing sections, and of the same as
67 they will read if amended, except that when any section to which
68 an amendment is proposed exceeds 150 words in length, the
69 statement shall show that part of the section in which a change
70 is proposed, both in its existing form and as it will read when
71 amended, together with portions of the context as the attorney

1 general deems necessary to an understanding of the proposed
 2 amendment. In the month of October prior to the election, the
 3 secretary of state shall publish the statement once in all
 4 qualified newspapers of the state. The secretary of state shall
 5 furnish the statement to the newspapers in reproducible form
 6 approved by the secretary of state, set in 7-1/2-point type on
 7 an 8-point body. The maximum rate for publication shall be as
 8 provided in section 331A.06 or 18 cents per standard line,
 9 whichever is less. If any newspaper shall refuse the
 10 publication of the amendments, this refusal and failure of the
 11 publication shall have no effect on the validity of the
 12 amendments. The secretary of state shall also forward to each
 13 county auditor copies of the statement, in poster form, in
 14 quantities sufficient to supply each election district of ~~his~~ *
 15 the county with two copies thereof. The auditor shall cause two *
 16 copies to be conspicuously posted at or near each polling place
 17 on election day. Willful or negligent failure by any official
 18 named to perform any duty imposed ~~upon him~~ by this section shall *
 19 be deemed a misdemeanor.

003*#22S

20 3.22 PAYMENT.

21 The publisher of any newspaper publishing the proposed
 22 amendments shall, before receiving ~~his~~ fees for the publication *
 23 and prior to the first day of January following an election
 24 year, file with the secretary of state an affidavit showing the
 25 qualification and legality of the newspaper and stating that the
 26 amendments have been published as required by law.

003*#251S

27 3.251 COMMISSION ON UNIFORM STATE LAWS.

28 A commission on uniform state laws consisting of four
 29 commissioners is created. Before the first day of June, each
 30 odd-numbered year, the governor, the attorney general, and the
 31 chief justice of the supreme court shall appoint three persons
 32 learned in the law to serve as commissioners for a term of two
 33 years, and until their successors are appointed. The fourth
 34 commissioner is the revisor of statutes or ~~his~~ the revisor's *
 35 designated assistant. If a vacancy occurs in the commission the
 36 appointing officers shall fill the vacancy for the remainder of
 37 the term.

003*#30S

38 3.30 LEGISLATIVE ADVISORY COMMISSION.

39 No change for subd 1

40 Subd. 2. MEMBERS; DUTIES. The ~~chairman~~ chair of the *
 41 senate committee on taxes and tax laws, the ~~chairman~~ chair of *
 42 the senate committee on finance, the ~~chairman~~ chair of the house *
 43 committee on taxes and tax laws, and the ~~chairman~~ chair of the *
 44 house committee on appropriations shall constitute the
 45 legislative advisory commission. The governor shall preside
 46 over the meetings of the commission but shall not be a member
 47 thereof. If any of the legislative members elect not to serve
 48 on the commission, the house of which they are members, if in
 49 session, shall select some other member for such vacancy. If
 50 the legislature is not in session, vacancies in the legislative
 51 membership of the commission shall be filled by the last speaker
 52 of the house or, if ~~he~~ the speaker be not available, by the last *
 53 ~~chairman~~ chair of the house rules committee, in case of a house *
 54 vacancy, and by the last senate committee on committees or other
 55 appointing authority designated by the senate rules in case of a
 56 senate vacancy. The commissioner of finance shall act as
 57 secretary of the commission and shall keep a permanent record
 58 and minutes of its proceedings, which shall be public records.
 59 The commissioner of finance shall transmit, under the provisions
 60 of section 3.195, a report to the next legislature of all
 61 actions of said commission. The members of the commission shall
 62 receive traveling and subsistence expenses in attending meetings
 63 of the commission. The commission shall meet from time to time
 64 upon the call of the governor or upon the call of the secretary
 65 at the request of three or more of its members.

66 Subd. 2a. Repealed, 1976 c 231 s 34

67 No change for subd 3 to 4

003*#3005S

68 3.3005 FEDERAL MONEY; EXPENDITURE REVIEW.

69 No change for subd 1

70 Subd. 2. A state agency shall not expend money received by
 71 it under any federal law for any purpose unless a request to
 72 spend federal money from that source for that purpose in that

1 fiscal year has been submitted by the governor to the
 2 legislature as a part of ~~his~~ the governor's biennial budget *
 3 request or as part of a supplementary or deficiency budget
 4 request, or unless specifically authorized by law or as provided
 5 by this section.

6 No change for subd 3 to 5

003*#303S

7 3.303 LEGISLATIVE COORDINATING COMMISSION; CREATION AND
 8 ORGANIZATION.

9 No change for subd 1

10 Subd. 2. The membership of the commission shall consist of
 11 the majority leader of the senate, the president of the senate,
 12 two senators appointed by the majority leader, the minority
 13 leader of the senate, and one senator appointed by the minority
 14 leader; and the majority leader of the house of representatives,
 15 the speaker of the house of representatives, two representatives
 16 appointed by the speaker, the minority leader of the house of
 17 representatives, and one representative appointed by the
 18 minority leader. Each member shall serve until a successor is
 19 named during a regular session following ~~his~~ appointment. A *
 20 vacancy shall be filled for the unexpired term in the same
 21 manner as the original appointment.

22 Subd. 3. The president of the senate and the speaker of
 23 the house shall alternate annually as ~~chairman~~ chair of the *
 24 commission.

25 No change for subd 4 to 5

003*#304S

26 3.304 OFFICE OF LEGISLATIVE RESEARCH.

27 No change for subd 1 to 3

28 Subd. 5. EXPENSES OF LEGISLATIVE COORDINATING
 29 COMMISSION. One-half the expenses of the legislative
 30 coordinating commission not including the expenses of the office
 31 of the revisor of statutes and the legislative reference
 32 library, as determined by the commission, shall be allocated
 33 from the legislative expense fund of each house of the
 34 legislature to a legislative research account. The expenses of
 35 the commission other than the expenses of the office of the
 36 revisor of statutes and the legislative reference library, shall
 37 be paid from the legislative research account upon vouchers
 38 signed by the ~~chairman~~ chair of the commission. *

39 Subd. 6. Repealed, 1975 c 252 s 10

40 Subd. 7. Repealed, 1975 c 252 s 10

003*#351S

41 3.351 LEGISLATIVE COMMISSION ON ENERGY.

42 Subdivision 1. COMPOSITION. The legislative
 43 commission on energy is composed of five senators of the
 44 majority party and three senators of the minority party
 45 appointed by the subcommittee on committees of the committee on
 46 rules and administration, and five representatives of the
 47 majority party and three representatives of the minority party
 48 appointed by the speaker of the house. The commission shall be
 49 appointed by June 1, 1980. The commission shall elect a
 50 ~~chairman~~ chair from among its members. *

51 No change for subd 2 to 5

003*#732S

52 3.732 SETTLEMENT OF CLAIMS.

53 Subdivision 1. DEFINITIONS. As used in this section
 54 and section 3.736 the terms defined in this section have the
 55 meanings given them.

56 (1) "State" includes each of the departments, boards,
 57 agencies, commissions, courts, and officers in the executive,
 58 legislative, and judicial branches of the state of Minnesota and
 59 includes but is not limited to the Minnesota housing finance
 60 agency, the Minnesota higher education coordinating board, the
 61 Minnesota higher education facilities authority, the armory
 62 building commission, the state zoological board, the University
 63 of Minnesota, state universities, community colleges, state
 64 hospitals, and state penal institutions. It does not include a
 65 city, town, county, school district, or other local governmental
 66 body corporate and politic.

67 (2) "Employee of the state" means all present or former
 68 officers, members, directors or employees of the state, members
 69 of the Minnesota national guard, or persons acting on behalf of
 70 the state in an official capacity, temporarily or permanently,
 71 with or without compensation, but does not include either an
 72 independent contractor or members of the Minnesota national

1 guard while engaged in training or duty under United States
 2 Code, title 10, or United States Code, title 32, section 316,
 3 502, 503, 504, or 505, as amended through December 31, 1983.

4 (3) "Scope of ~~his~~ office or employment" means that the *
 5 employee was acting on behalf of the state in the performance of *
 6 duties or tasks lawfully assigned ~~to him~~ by competent authority. *

7 Subd. 2. The head of each department or agency of the *
 8 state, or ~~his~~ a designee, acting on behalf of the state, shall *
 9 attempt to determine, adjust and settle, at any time, any claim *
 10 for money damages of \$2,500 or less against the state for injury *
 11 to or loss of property or personal injury or death caused by an *
 12 act or omission of any employee of the state while acting within *
 13 the scope of ~~his~~ office or employment, under circumstances where *
 14 the state, if a private person, would be liable to the *
 15 claimant. Any such settlement shall be final and conclusive on *
 16 all officers of the state, except where procured by fraud. The *
 17 acceptance by the claimant of any such settlement shall be final *
 18 and conclusive on the claimant and shall constitute a complete *
 19 release of any claim against the state and against the employee *
 20 of the state whose act or omission gave rise to the claim, by *
 21 reason of the same subject matter.

22 No change for subd 3 to 5

23 Subd. 6. The head of each department or agency, or ~~his~~ a *
 24 designee, acting on behalf of the state, may enter into *
 25 structured settlements, through the negotiation, creation, and *
 26 utilization of annuities or similar financial plans for *
 27 claimants, to resolve claims arising from the alleged negligence *
 28 of the state, its agencies, or employees. The requirements set *
 29 forth in sections 16.07, 16.08, and 16.098 shall not apply to *
 30 the state's selection of and contracts with structured *
 31 settlement consultants or purveyors of structured settlement *
 32 plans.

003*#736S

33 3.736 TORT CLAIMS.

34 Subdivision 1. GENERAL RULE. The state will pay
 35 compensation for injury to or loss of property or personal
 36 injury or death caused by an act or omission of any employee of
 37 the state while acting within the scope of ~~his~~ office or *
 38 employment or peace officer who is not acting on behalf of a *
 39 private employer and who is acting in good faith pursuant to
 40 section 629.40, subdivision 3, under circumstances where the
 41 state, if a private person, would be liable to the claimant.
 42 Nothing in this section waives the defense of judicial or
 43 legislative immunity except to the extent provided in
 44 subdivision 8.

45 No change for subd 2 to 3

46 Subd. 4. LIMITS. The total liability of the state
 47 and its employees acting within the scope of their employment on
 48 any tort claim shall not exceed:

49 (a) \$200,000 when the claim is one for death by wrongful
 50 act or omission and \$200,000 to any claimant in any other case.

51 (b) \$600,000 for any number of claims arising out of a
 52 single occurrence. If the amount awarded to or settled upon
 53 multiple claimants exceeds \$600,000, any party may apply to any
 54 district court to apportion to each claimant ~~his~~ a proper share *
 55 of the \$600,000. The share apportioned each claimant shall be *
 56 in the proportion that the ratio of the award or settlement ~~made~~ *
 57 ~~to him~~ bears to the aggregate awards and settlements for all *
 58 claims arising out of the occurrence.

59 The limitation imposed by this subdivision on individual
 60 claimants includes damages claimed for loss of services or loss
 61 of support arising out of the same tort.

62 No change for subd 4a

63 Subd. 5. NOTICE REQUIRED. Except as provided in
 64 subdivision 6, every person, whether plaintiff, defendant or
 65 third party plaintiff or defendant, who claims compensation from
 66 the state or a state employee acting within the scope of ~~his~~ *
 67 employment for or on account of any loss or injury shall present *
 68 to the attorney general of the state or, in the case of a claim *
 69 against the university of Minnesota, to the person designated by *
 70 the regents of the university as the university attorney, and *
 71 any state employee from whom the claimant will seek *
 72 compensation, within 180 days after the alleged loss or injury
 73 is discovered, a notice stating the time, place and
 74 circumstances thereof, the names of any state employees known to
 75 be involved, and the amount of compensation or other relief

1 demanded. Actual notice of sufficient facts to reasonably put
 2 the state or its insurer on notice of a possible claim complies
 3 with the notice requirements of this section. Failure to state
 4 the amount of compensation or other relief demanded does not
 5 invalidate the notice, but the claimant shall furnish full
 6 information available regarding the nature and extent of the
 7 injuries and damages within 15 days after demand by the state.
 8 The time for giving the notice does not include the time during
 9 which the person injured is incapacitated by the injury from
 10 giving the notice.

11 Subd. 6. CLAIMS FOR WRONGFUL DEATH; NOTICE. When
 12 the claim is one for death by wrongful act or omission, the
 13 notice may be presented by the personal representative,
 14 surviving spouse, or next of kin, or the consular officer of the
 15 foreign country of which the deceased was a citizen, within one
 16 year after the alleged injury or loss resulting in the death.
 17 If the person for whose death the claim is made has presented a
 18 notice that would have been sufficient had he the person lived,
 19 an action for wrongful death may be brought without any *
 20 additional notice.

21 Subd. 7. PAYMENT. A state agency, including any
 22 entity defined as part of the state in section 3.732,
 23 subdivision 1, clause (1), incurring a tort claim judgment or
 24 settlement obligation or whose employees acting within the scope
 25 of their employment incur the obligation shall seek approval to
 26 make payment by submitting a written request to the commissioner
 27 of finance. The request shall contain a description of the tort
 28 claim precipitating the request, specify the amount of the
 29 obligation and be accompanied by copies of judgments, settlement
 30 agreements or other documentation relevant to the obligation for
 31 which the agency is seeking payment. Upon receipt of the
 32 request and review of the claim, the commissioner of finance
 33 shall determine the proper appropriation from which to make
 34 payment. If there is sufficient money in an appropriation or
 35 combination of appropriations to the agency for its general
 36 operations and management to allow the claim to be paid from
 37 that source without unduly hindering the operation of the
 38 agency, the commissioner shall direct that payment be made from
 39 that source. Claims relating to activities paid for by
 40 appropriations of dedicated receipts shall be paid from those
 41 appropriations if practicable. ~~If the commissioner determines~~ *
 42 On determining that an agency has sufficient money in these *
 43 appropriations to pay only part of a claim, the commissioner
 44 shall pay the remainder of the claim from the money appropriated
 45 to him the commissioner for this purpose. ~~If the commissioner~~ *
 46 determines On determining that the agency does not have *
 47 sufficient money to pay any part of the claim, the commissioner
 48 shall pay all of the claim from money appropriated to him the *
 49 commissioner for this purpose. On January 1 and July 1 of each *
 50 year, the commissioner of finance shall transmit to the *
 51 legislature and to the chairmen chair of the house *
 52 appropriations and senate finance committees copies of all
 53 requests in the preceding six months together with a report on
 54 the payments made with respect to each request. Payment shall
 55 be made only upon receipt of a written release by the claimant
 56 in a form approved by the attorney general, or the person
 57 designated as the university attorney, as the case may be.

58 No attachment or execution shall issue against the state.

59 No change for subd 8

60 Subd. 9. INDEMNIFICATION. The state of Minnesota
 61 shall defend, save harmless, and indemnify any employee of the
 62 state against expenses, attorneys' fees, judgments, fines, and
 63 amounts paid in settlement actually and reasonably incurred by
 64 the employee of the state in connection with any tort, civil, or
 65 equitable claim or demand, or expenses, attorneys' fees,
 66 judgments, fines, and amounts paid in settlement actually and
 67 reasonably incurred by the employee of the state in connection
 68 with any claim or demand arising from the issuance and sale of
 69 any securities by the state, whether groundless or otherwise,
 70 arising out of an alleged act or omission occurring heretofore
 71 or hereafter during ~~his~~ the period of employment if the employee *
 72 provides complete disclosure and cooperation in the defense of
 73 the claim or demand and if the employee was acting within the
 74 scope of ~~his~~ employment. Except for elected employees, an *
 75 employee of the state shall be conclusively presumed to have *
 76 been acting within the scope of ~~his~~ employment if the employee's *

1 appointing authority issues a certificate to that effect. This
 2 determination may be overruled by the attorney general. The
 3 determination of whether an employee of the state was acting
 4 within the scope of ~~his~~ employment shall be a question of fact *
 5 to be determined by the trier of fact based upon the
 6 circumstances of each case (i) in the absence of a
 7 certification, (ii) if a certification is overruled by the
 8 attorney general, (iii) if an unfavorable certification is made,
 9 or (iv) with respect to an elected official. The absence of the
 10 certification or an unfavorable certification shall not be
 11 evidence relevant to such a determination. It is the express
 12 intent of this provision to defend, save harmless, and indemnify
 13 any employee of the state against the full amount of any final
 14 judgment rendered by a court of competent jurisdiction arising
 15 from a claim or demand described herein, regardless of whether
 16 the limitations on liability specified in subdivision 4 or 4a
 17 hereof are, for any reason, found to be inapplicable. This
 18 subdivision does not apply in case of malfeasance in office or
 19 willful or wanton actions or neglect of duty, nor does it apply
 20 to expenses, attorneys' fees, judgments, fines, and amounts paid
 21 in settlement of claims for proceedings brought by or before
 22 responsibility or ethics boards or committees.

23 No change for subd 9a to 11

003*#737S

24 3.737 LIVESTOCK OWNERS; COMPENSATION FOR DESTROYED OR
 25 CRIPPLED ANIMALS.

26 No change for subd 1 to 3

27 Subd. 4. COMMISSIONER'S DETERMINATION; APPEALS. If
 28 the commissioner finds that the livestock owner has shown that
 29 the loss of ~~his~~ the livestock was caused more probably than not *
 30 by an animal classified as an endangered species, the
 31 commissioner shall pay compensation as provided in this section
 32 and in the rules of the department.

33 If the commissioner denies any compensation claimed by a
 34 livestock owner under this section, the commissioner shall issue
 35 a written decision based upon the available evidence which shall
 36 include specification of the facts upon which the decision is
 37 based and the conclusions on the material issues of the claim.
 38 A copy of the decision shall be transmitted to the livestock
 39 owner by first class mail.

40 A decision denying compensation claimed under this section
 41 is not subject to the contested case review procedures of
 42 chapter 14, but may be reviewed upon a trial de novo in the
 43 county court in the county where the loss occurred. The
 44 decision of the county court may be appealed as in other civil
 45 cases. Review in the county court may be obtained by the filing
 46 of a petition for review with the clerk of the county court
 47 within 60 days following receipt of a decision under this
 48 section. Upon the filing of a petition, the clerk of the county
 49 court shall mail a copy of it to the commissioner and set a time
 50 for hearing which shall be held within 90 days of the filing of
 51 the petition.

003*#739S

52 3.739 INJURY OR DEATH OF CONDITIONALLY RELEASED INMATE.

53 Subdivision 1. PERMISSIBLE CLAIMS. Claims and
 54 demands arising out of the circumstances described in this
 55 subdivision shall be presented to, heard, and determined as
 56 provided in subdivision 2:

57 (1) an injury to or death of an inmate of a state,
 58 regional, or local correctional facility or county jail who has
 59 been conditionally released and ordered to perform uncompensated
 60 work for a state agency, a political subdivision or public
 61 corporation of this state, a nonprofit educational, medical, or
 62 social service agency, or a private business or individual, as a
 63 condition of ~~his~~ the release, while performing the work; *

64 (2) an injury to or death of a person sentenced by a court,
 65 granted a suspended sentence by a court, or subject to a court
 66 disposition order, and who, pursuant to court order, is
 67 performing work (a) in restitution, (b) in lieu of or to work
 68 off fines or court ordered costs, (c) in lieu of incarceration,
 69 or (d) as a term or condition of a sentence, suspended sentence,
 70 or disposition order, while performing the work;

71 (3) an injury to or death of a person, who has been
 72 diverted from the court system and who is performing work as
 73 described in paragraph (1) or (2) pursuant to a written
 74 agreement signed by himself the person, and if a juvenile, by *

1 his a parent or guardian; or *
 2 (4) an injury to or death of any person caused by an
 3 individual who was performing work as described in paragraph
 4 (1), (2), or (3).

5 No change for subd 2 to 3

003*#751S

6 3.751 CONTRACT CLAIMS.

7 No change for subd 1

8 Subd. 2. No action shall be maintained unless commenced
 9 within 90 days after the plaintiff has been furnished by the
 10 state with a final estimate under his the contract, or, at the *
 11 election of the plaintiff, within six months after the work *
 12 provided for under his the contract is completed.

13 No change for subd 3 to 5

003*#84S

14 3.84 MISDEMEANOR.

15 A person who knowingly and wilfully presents, or attempts
 16 to present, a false or fraudulent claim; or a state officer who
 17 knowingly and wilfully participates, or assists, in the
 18 preparation or presentation of a false or fraudulent claim is
 19 guilty of a misdemeanor. If A person state officer convicted of *
 20 such offense is-a-state-officer, he also forfeits his the office. *

003*#85S

21 3.85 LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT.

22 No change for subd 1 to 2

23 Subd. 3. MEMBERSHIP. The commission consists of five
 24 members of the senate to be appointed by the subcommittee on
 25 committees of the committee on rules and administration and five
 26 members of the house of representatives to be appointed by the
 27 speaker. Members of the commission shall be appointed at the
 28 commencement of each regular session of the legislature for a
 29 two year term beginning January 16 of the first year of the
 30 regular session. Vacancies on the commission occurring while
 31 the legislature is in session shall be filled in the same manner
 32 as regular appointments to the commission. If the legislature
 33 is not in session, vacancies in the membership of the commission
 34 shall be filled by the last subcommittee on committees of the
 35 senate committee on rules and administration or other appointing
 36 authority designated by the senate rules in case of a senate
 37 vacancy, and by the last speaker of the house, or if he the *
 38 speaker be not available, by the last chairman chair of the *
 39 house rules committee in case of a house vacancy.

40 Subd. 4. OFFICE, MEETINGS, OFFICERS. The commission
 41 shall maintain an office in the capitol group of buildings in
 42 space which the commissioner of administration shall provide.
 43 The commission shall hold meetings at such times and places as
 44 it may designate. It shall select a chairman chair, a vice *
 45 chairman vice-chair and such other officers from its membership *
 46 as it may deem necessary.

47 No change for subd 5 to 8

48 Subd. 9. EXPENSES AND REPORTS. Expenses of the
 49 commission shall be approved by the chairman chair or such other *
 50 member as the rules of the commission may provide and the
 51 expenses shall then be paid in the same manner as other state
 52 expenses are paid. A general summary or statement of expenses
 53 incurred by the commission and paid shall be made to the
 54 legislature by November 15 of each even numbered year.

55 No change for subd 10 to 12

003*#855S

56 3.855 LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS.

57 Subdivision 1. ESTABLISHMENT. There is created the
 58 legislative commission on employee relations. The commission
 59 shall consist of six members of the senate and six members of
 60 the house of representatives. The senate members shall include
 61 the leader of the majority caucus of the senate, the leader of
 62 the minority caucus of the senate, the chairman chair of the *
 63 governmental operations committee, the chairman chair of the *
 64 finance committee, the chairman chair of the committee on taxes *
 65 and tax laws, and an additional member designated by the leader
 66 of the minority caucus. The house members shall include the
 67 speaker, the leader of the minority caucus of the house,
 68 the chairman chair of the governmental operations committee, the *
 69 chairman chair of the appropriations committee, the chairman *
 70 chair of the taxes committee, and an additional member *
 71 designated by the leader of the minority caucus. In the event
 72 that the membership of the house is evenly divided, the house

1 members shall be selected pursuant to the rules of the house.
 2 Any member of the commission may resign by providing notice to
 3 the chairman chair. In the event of a resignation by a member *
 4 of the: (1) senate, a replacement shall be selected from among
 5 the members of the senate by the committee on rules; (2) house,
 6 a replacement shall be selected from among the members of the
 7 house pursuant to house rules. The commission shall elect its
 8 own officers who shall serve for terms of two years.

9 The chairmanship office of chair of the commission shall *
 10 alternate between a member of the senate and a member of the
 11 house.

12 Subd. 2. STATE EMPLOYEE NEGOTIATIONS. The
 13 commissioner of employee relations shall regularly advise the
 14 commission on the progress of collective bargaining activities
 15 with state employees pursuant to the state public employment
 16 labor relations act. During the course of the negotiations, the
 17 commission may make recommendations to the commissioner as it
 18 deems appropriate but no recommendation shall impose any
 19 obligation or grant any right or privilege to the parties. The
 20 commissioner shall submit to the chairman chair of the *
 21 commission any negotiated agreements or arbitration awards.
 22 Approved negotiated agreements shall be submitted within five
 23 days of the date of approval by the commissioner or the date of
 24 approval by the affected state employees whichever occurs later.
 25 Arbitration awards shall be submitted within five days of their
 26 receipt by the commissioner. If the commission disapproves of
 27 any agreement or award, the commission shall specify in writing
 28 to the parties those portions with which it disagrees and the
 29 reasons therefor. If the commission approves of an agreement or
 30 award, it shall cause the matter to be submitted to the
 31 legislature to be accepted or rejected pursuant to section
 32 179A.22, subdivision 4. Failure of the commission to disapprove
 33 of an agreement or award within 30 days of its receipt shall be
 34 deemed approval. Approval or disapproval by the commission
 35 shall not be binding on the entire legislature.

36 After adjournment of the legislature in an odd numbered
 37 year, the commission may give interim approval to a negotiated
 38 agreement or arbitration award. It shall submit the negotiated
 39 agreement or arbitration award to the entire legislature for
 40 ratification as provided in section 179A.22, subdivision 4.

41 No change for subd 3

003*#922S

42 3.922 INDIAN AFFAIRS COUNCIL.

43 Subdivision 1. CREATION, MEMBERSHIP. There is
 44 created a state Indian affairs council to consist of the
 45 following ex-officio members: The governor or a member of his *
 46 the governor's official staff designated by him the governor, *
 47 the commissioner of education, the commissioner of human
 48 services, the commissioner of natural resources, the
 49 commissioner of human rights, the commissioner of energy,
 50 planning and development, the commissioner of corrections, the
 51 executive director of the Minnesota housing finance agency, the
 52 commissioner of iron range resources and rehabilitation, and the
 53 commissioner of health each of whom may designate a staff member *
 54 of-his-staff to serve in-his-place instead, three members of the *
 55 state house of representatives appointed by the speaker of the
 56 house of representatives, and three members of the state senate
 57 appointed by the committee on committees of the senate. Voting
 58 members of the council shall be: the duly elected
 59 tribal chairmen chair of the Fond du Lac reservation business *
 60 committee; the Grand Portage reservation business committee; the
 61 Mille Lacs reservation business committee; the White Earth
 62 reservation business committee; the Bois Forte (Nett Lake)
 63 reservation business committee; the Leech Lake reservation
 64 business committee; the Red Lake tribal council; the Upper Sioux
 65 board of trustees; the Lower Sioux tribal council; the
 66 Shakopee-Mdewankanton general council; the Prairie Island tribal
 67 council; and two members to be selected pursuant to subdivision *
 68 2. The chairmen chairs of the above Indian committees, trusts,
 69 or councils may designate in writing a member who shall have
 70 been elected at large to an office in the committee, trust, or
 71 council, to serve in-his-place instead. Council members *
 72 appointed to represent the state house of representatives, the
 73 state senate or tribal governments shall no longer serve on the
 74 council at such time as they are no longer members of the bodies
 75 which they represent, and upon such circumstances, their offices

1 shall be vacant. A member who is a designee of a
 2 tribal chairman chair shall cease to be a member at the end of *
 3 the term of the designating tribal chairman-who-designated *
 4 him chair. Ex-officio members or their designees on the council *
 5 shall not be voting members of the council.

6 Subd. 2. ADDITIONAL MEMBERS. Two members of the
 7 council shall be elected at large by Indian residents of
 8 Minnesota who (1) are legal members and eligible voters of a
 9 federally recognized tribe in accordance with the criteria of
 10 said tribe and (2) are not members of any federally recognized
 11 tribe with a reservation in Minnesota. The election of at large
 12 members shall be in a manner prescribed by the secretary of
 13 state with the first such election for at large members to take
 14 place at a reasonable time, but no later than April 14, 1977.
 15 The manner of election, certification, and contest shall,
 16 insofar as reasonably possible, be consistent with procedures
 17 employed in general elections in the state so as to insure a
 18 fair election and ready access to the election process by
 19 eligible voters. The voting procedure shall include voting by
 20 absentee ballot. A person shall be eligible to serve as an at
 21 large member of the council if at the time of the election he *
 22 the person is a qualified voter within the requirements of the *
 23 Minnesota Constitution, article VII and a member of a federally
 24 recognized tribe that does not have a reservation in Minnesota.
 25 The at large election described herein shall be certified and
 26 regulated by the secretary of state. The term for at large
 27 members elected in 1977 shall expire on April 20, 1981. At
 28 large elections shall be held no later than April 14, 1981, and
 29 no later than every fourth April 14 thereafter, and the term of
 30 office for at large members shall be four years commencing on
 31 the April 20 following each at large election and ending at
 32 12:01 a.m., April 20 four years thereafter.

33 No change for subd 3

34 Subd. 4. MEETINGS. Meetings may be called by the
 35 chairman chair or at the written request of five members of the *
 36 council. A majority of the voting members of the council
 37 constitutes a quorum.

38 Subd. 5. OFFICERS, PERSONNEL. The council shall
 39 annually elect a chairman chair and such other officers as it *
 40 may deem necessary. The chairman chair shall have the authority *
 41 to appoint subcommittees necessary to fulfill the duties of the
 42 council. It shall also employ, and prescribe the duties of such
 43 employees and agents as it deems necessary. The compensation of
 44 the executive director of the board shall be as provided by
 45 section 43A.18. All employees are in the unclassified service.
 46 The chairman chair shall be an ex-officio member of the state *
 47 board of human rights. The appropriations and other funds of
 48 this council are subject to the provisions of chapter 16. The
 49 council shall maintain its primary office in Bemidji and shall
 50 also maintain personnel and office space in St. Paul.

51 No change for subd 6 to 9

003*#9222S

52 3.9222 LEGISLATIVE COMMISSION ON THE ECONOMIC STATUS OF
 53 WOMEN.

54 No change for subd 1 to 4

55 Subd. 5. The commission may hold meetings and hearings at
 56 the times and places it designates to accomplish the purposes
 57 set forth in this section. It shall select a chairman chair and *
 58 other officers from its membership as it deems necessary.

59 No change for subd 6

60 Subd. 7. When any person, corporation, the United States
 61 government, or any other entity offers funds to the commission
 62 by way of gift, grant or loan, for the purpose of assisting the
 63 commission to carry out its powers and duties, the commission
 64 may accept the offer by majority vote and upon acceptance the
 65 chairman chair shall receive the funds subject to the terms of *
 66 the offer, but no money shall be accepted or received as a loan
 67 nor shall any indebtedness be incurred except in the manner and
 68 under the limitations otherwise provided by law.

003*#9223S

69 3.9223 COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE.

70 Subdivision 1. MEMBERSHIP. There is created a state
 71 council on affairs of Spanish-speaking people to consist of
 72 seven members appointed by the governor. The demographic
 73 composition of the council members shall accurately reflect the
 74 demographic composition of Minnesota's Spanish-speaking

1 community, including migrant workers, as determined by the state
2 demographer. Membership, terms, compensation, removal of
3 members and filling of vacancies shall be as provided in section
4 15.0575. The council shall annually elect from its membership a
5 chairperson chair and other officers it deems necessary. The *
6 council shall expire on the date provided by section 15.059,
7 subdivision 5.

8 No change for subd 2 to 4

9 Subd. 5. POWERS. The council shall have power to
10 contract in its own name. Contracts shall be approved by a
11 majority of the members of the council and executed by the
12 chairperson chair and the executive director. The council may *
13 apply for, receive, and expend in its own name grants and gifts
14 of money consistent with the power and duties specified in this
15 section.

16 The council shall appoint, subject to the approval of the
17 governor, an executive director who shall be experienced in
18 administrative activities and familiar with the problems and
19 needs of Spanish-speaking people. The council may delegate to
20 the executive director any powers and duties under this section
21 which do not require council approval. The executive director
22 and council staff shall serve in the unclassified service. The
23 executive director may be removed at any time by a majority vote
24 of the entire council. The executive director shall recommend
25 to the council the appropriate staffing patterns necessary to
26 carry out its duties. The commissioner of administration shall
27 provide the council with necessary administrative services, and
28 the council shall reimburse the commissioner for the cost of
29 these services.

30 No change for subd 6 to 7

003*#9225S

31 3.9225 COUNCIL ON BLACK MINNESOTANS.

32 Subdivision 1. CREATION. There is created a state
33 council on Black Minnesotans to consist of seven members
34 appointed by the governor. The members of the council shall be
35 broadly representative of the Black community of the state and
36 shall include at least three males and at least three females.
37 Membership terms, compensation, removal of members and filling
38 of vacancies for non-legislative members shall be as provided in
39 section 15.059. In addition, two members of the house of
40 representatives appointed by the speaker and two members of the
41 senate appointed by the subcommittee on committees of the
42 committee on rules and administration shall serve as ex-officio,
43 non-voting members of the council. The council shall annually
44 elect from its membership a chairperson chair and other officers *
45 it deems necessary.

46 Subd. 2. DEFINITIONS. For the purpose of this *
47 section, the term "Black" means-a-person describes persons who *
48 considers-himself-or-herself consider themselves as having *
49 origin in any of the black racial groups of Africa.

50 No change for subd 3 to 4

51 Subd. 5. POWERS. The council shall have power to
52 contract in its own name, provided that no money shall be
53 accepted or received as a loan nor shall any indebtedness be
54 incurred except as otherwise provided by law. Contracts shall be
55 approved by a majority of the members of the council and
56 executed by the chairperson chair and the executive director. *
57 The council may apply for, receive, and expend in its own name
58 grants and gifts of money consistent with the power and duties
59 specified in subdivisions 1 to 7.

60 The council shall appoint an executive director who shall
61 be experienced in administrative activities and familiar with
62 the problems and needs of Black people. The council may
63 delegate to the executive director any powers and duties under
64 subdivisions 1 to 7 which do not require council approval. The
65 executive director shall serve in the unclassified service and
66 may be removed at any time by the council. The executive
67 director shall recommend to the council, and the council may
68 appoint, the appropriate staff necessary to carry out its
69 duties. All staff members shall also serve in the unclassified
70 service. The commissibner of administration shall provide the
71 council with necessary administrative services, and the council
72 shall reimburse the commissioner for the cost of these services.

73 No change for subd 6 to 7

003*#9226S

74 3.9226 COUNCIL ON ASIAN-PACIFIC MINNESOTANS.

1 Subdivision 1. CREATION. The state council on
 2 Asian-Pacific Minnesotans consists of 13 members. Nine members
 3 are appointed by the governor and shall be broadly
 4 representative of the Asian-Pacific community of the state.
 5 Terms, compensation, removal, and filling of vacancies for these
 6 members are as provided in section 15.059. In addition, two
 7 members of the house of representatives appointed under the
 8 rules of the house of representatives and two members of the
 9 senate appointed under the rules of the senate shall serve as
 10 nonvoting members of the council. The council shall annually
 11 elect from its membership a chairperson chair and other officers
 12 it deems necessary. *

13 No change for subd 2 to 4

14 Subd. 5. POWERS. (a) The council may contract in its
 15 own name but may not accept or receive a loan or incur
 16 indebtedness except as otherwise provided by law. Contracts
 17 must be approved by a majority of the members of the council and
 18 executed by the chairperson chair and the executive director. *
 19 The council may apply for, receive, and expend in its own name
 20 grants and gifts of money consistent with the powers and duties
 21 specified in this section.

22 (b) The council shall appoint an executive director who is
 23 experienced in administrative activities and familiar with the
 24 problems and needs of Asian-Pacific people. The council may
 25 delegate to the executive director any powers and duties under
 26 this section that do not require council approval. The
 27 executive director serves in the unclassified service and may be
 28 removed at any time by the council. The executive director
 29 shall recommend to the council, and the council may appoint, the
 30 appropriate staff necessary to carry out the duties of the
 31 council. All staff members serve in the unclassified service.
 32 The commissioner of administration shall provide the council
 33 with necessary administrative services, for which the council
 34 shall reimburse the commissioner.

35 No change for subd 6 to 8

003*#94S

36 3.94 PLACE OF SESSION.

37 Whenever, in the event of an attack, or a finding by the
 38 executive council that an attack may be imminent, the governor
 39 deems the place of the legislative session then prescribed to be
 40 unsafe, he the governor may change it to any other place within
 41 or without the state which he the governor deems safe and
 42 convenient. *

003*#95S

43 3.95 SPECIAL SESSION IN EVENT OF ATTACK.

44 In the event of an attack, if the legislature is not then
 45 in session, the governor shall convene a special session
 46 thereof, as soon as practicable, and in no case later than 30
 47 days following the inception of the attack. If the governor
 48 fails to issue such a call, the legislature, on the first
 49 Tuesday after the first Monday after the expiration of 30 days
 50 following the date of the inception of the attack, shall convene
 51 without call at the place where the governor then maintains his
 52 official office. *

003*#97S

53 3.97 AUDIT POLICY; CREATION OF COMMISSION; TRANSFER OF
 54 FUNCTIONS OF PUBLIC EXAMINER; ACCESS TO DATA.

55 No change for subd 1

56 Subd. 2. A legislative commission to be known as the
 57 legislative audit commission, designated herein as "the
 58 commission" is hereby created. The commission shall consist of
 59 the majority leader of the senate and the president of the
 60 senate, or their respective designees; the chairman chair of the
 61 senate committee on taxes or his a designee, who shall be a
 62 member of the senate tax committee; the chairman chair of the
 63 senate committee on governmental operations or his a designee,
 64 who shall be a member of the governmental operations committee;
 65 the chairman chair of the senate committee on finance or his a
 66 designee, who shall be a member of the senate finance committee;
 67 and three members of the senate appointed by the senate minority
 68 leader; the speaker of the house and the chairman chair of the
 69 house committee on rules, or their respective designees;
 70 the chairman chair of the house committee on taxes or his a
 71 designee, who shall be a member of the house tax committee;
 72 the chairman chair of the house committee on governmental
 73 operations or his a designee, who shall be a member of the house *

1 governmental operations committee; the chairman chair of the *
 2 house appropriations committee or ~~his~~ a designee, who shall be a *
 3 member of the house appropriations committee; and three members
 4 of the house appointed by the house minority leader. The
 5 appointed members of the commission shall serve for a term
 6 commencing upon appointment and expiring at the opening of the
 7 next regular session of the legislature in the odd numbered year
 8 and until a successor is appointed. A vacancy in the membership
 9 of the commission shall be filled for the unexpired term in such
 10 a manner as to preserve the representation established by this
 11 subdivision.

12 The commission shall elect its chairman chair and such *
 13 other officers as it may determine necessary. It shall meet at *
 14 the call of the chairman chair or at the call of its executive
 15 secretary. The members of the commission shall serve without
 16 compensation but shall be reimbursed for their reasonable
 17 expenses as members of the legislature. The commission may
 18 exercise the powers prescribed by section 3.153.

19 No change for subd 3

20 Subd. 4. The legislative auditor is the executive *
 21 secretary of the commission. The legislative auditor shall be *
 22 appointed by the commission for a six year term--~~He shall~~ and *
 23 serve in the unclassified service. He The legislative auditor *
 24 shall not at any time while in office hold any other public *
 25 office. The legislative auditor shall not be removed from ~~his~~ *
 26 office before the expiration of ~~his~~ the term of service except *
 27 for cause after public hearing.

28 Subd. 5. The legislative auditor shall establish a
 29 financial audits division and a program evaluation division to
 30 fulfill the duties prescribed in this section. Each division
 31 shall be supervised by a deputy auditor, appointed by the
 32 legislative auditor, with the approval of the commission, for a
 33 term coterminous with the legislative auditor's term. The
 34 deputy auditors may be removed before the expiration of their
 35 terms only for cause. The legislative auditor and deputy
 36 auditors may each appoint a confidential secretary to serve at
 37 ~~his~~ pleasure. The commission shall fix the salaries of the *
 38 deputy auditors and confidential secretaries. The deputy
 39 auditors may perform and exercise the powers, duties and
 40 responsibilities imposed by law on the legislative auditor when
 41 authorized so to do by the legislative auditor. The deputy
 42 auditors and the confidential secretaries shall serve in the
 43 unclassified civil service, but all other employees of the
 44 legislative auditor shall be in the classified civil service.

45 No change for subd 6 to 10

46 Subd. 11. "Audit" as used in this subdivision means a
 47 financial audit, a program evaluation, or an investigation.
 48 Data relating to an audit are not public or with respect to data
 49 on individuals are confidential until the final report of the
 50 audit has been published or the audit is no longer being
 51 actively pursued. Data that support the conclusions of the
 52 report and that the legislative auditor reasonably believes will
 53 result in litigation are not public and with respect to data on
 54 individuals are confidential until the litigation has been
 55 completed or until the litigation is no longer being actively
 56 pursued. Data on individuals that could reasonably be used to
 57 determine the identity of an individual supplying data for an
 58 audit are private if (a) the data supplied by the individual
 59 were needed for an audit and (b) the data individual would not *
 60 have ~~been~~ provided the data to the legislative auditor without *
 61 an assurance ~~to the individual~~ that ~~his~~ the individual's *
 62 identity would remain private. The definitions of terms
 63 provided in section 13.02 apply for purposes of this subdivision.

003*#972S

64 3.972 AGENCIES; AUDITS; DEFINITIONS.

65 No change for subd 1

66 Subd. 2. AUDITS OF STATE AND SEMI-STATE AGENCIES.

67 The legislative auditor shall make a constant audit of all
 68 financial affairs of all departments and agencies of the state,
 69 and of the financial records and transactions of public boards,
 70 associations, and societies supported, wholly or in part, by
 71 state funds. Once in each year, if funds and personnel permit,
 72 without previous notice, ~~he~~ the legislative auditor shall visit *
 73 each of such state departments and agencies, associations or
 74 societies and, so far as practicable, inspect such agencies,
 75 thoroughly examine the books and accounts thereof, verifying the

1 funds, securities and other assets, check the items of receipts
 2 and disbursements with the voucher records thereof, ascertain
 3 the character of the official bonds for the officers thereof and
 4 the financial ability of the bondsmen bonding institution,
 5 inspect the sources of revenue thereof, the use and disposition
 6 of state appropriations and property, investigate the methods of
 7 purchase and sale, the character of contracts on public account,
 8 ascertain proper custody and depository for the funds and
 9 securities thereof, verify the inventory of public property and
 10 other assets held in trust, and ascertain that all financial
 11 transactions and operations involving the public funds and
 12 property of the state comply with the spirit and purpose of the
 13 law, are sound by modern standards of financial management and
 14 are for the best protection of the public interest.

15 No change for subd 3

003*#973S

16 3.973 STATE TREASURER; AUDIT.

17 At least once each year, and at such other times as he the
 18 legislative auditor may deem appropriate, without previous
 19 notice to the state treasurer, the legislative auditor shall
 20 examine and audit the accounts, books, and vouchers of the state
 21 treasurer, ascertain the amounts of the several funds which
 22 should be in the treasury, count the sums actually on hand, and
 23 make a record of the facts found. The legislative auditor shall
 24 report to the legislature, on or before the third day of each
 25 regular session ~~the legislative auditor shall report to the~~
 26 ~~legislature~~, the results of such examinations and his the
 27 legislative auditor's doings in the premises. He The
 28 legislative auditor shall also witness and attest the transfer
 29 of books, accounts, vouchers, and funds from the out-going
 30 treasurer to his a successor in office, verify the official
 31 record of all redeemed bonds, certificates of indebtedness, and
 32 interest coupons issued by the state; and, from time to time,
 33 shall cause to be destroyed all such obligations which shall
 34 have been redeemed for at least one year. A notation shall be
 35 made by the treasurer in his the treasurer's records of all such
 36 obligations destroyed and the legislative auditor shall certify
 37 to the correctness thereof. A copy of each such legislative
 38 auditor's certificate shall be filed with the commissioner of
 39 finance and treasurer.

003*#974S

40 3.974 TO FILE WRITTEN REPORTS.

41 For each audit done, the legislative auditor shall file a
 42 written report ~~covering his audits~~ with the department, agency,
 43 society, or association concerned, and the legislative audit
 44 commission for its consideration and action.

45 Such audit reports shall set forth:

46 (1) Whether all funds have been expended for the purposes
 47 authorized in the appropriations therefor;

48 (2) Whether all receipts have been accounted for and paid
 49 into the state treasury as required by law;

50 (3) All illegal and unbusinesslike practices, if any;

51 (4) Assessment of the financial control practices used in
 52 the agency, measurement of performance and recommendations for
 53 improved effectiveness; and

54 (5) Such other data, information, and recommendations as
 55 the legislative auditor may deem advisable and necessary.

003*#975S

56 3.975 DUTIES WHEN VIOLATIONS ARE DISCOVERED.

57 If any such legislative auditor's examinations shall
 58 disclose malfeasance, misfeasance, or nonfeasance in office on
 59 the part of any officer or employee, a copy of such report shall
 60 be signed and verified, and it shall be the duty of the
 61 legislative auditor to file such report with the legislative
 62 audit commission and the attorney general. It shall be the duty
 63 of the attorney general to institute and prosecute such civil
 64 proceedings against such delinquent officer or employee, or upon
 65 his the officer's or employee's official bond, or both, as may
 66 be appropriate to secure to the state the recovery of any funds
 67 or other assets misappropriated, and he the attorney general
 68 shall cause such criminal proceedings to be instituted by the
 69 proper authorities as the evidence may warrant.

003*#978S

70 3.978 LEGISLATIVE AUDITOR; SUBPOENA POWERS; PENALTIES.

71 In all matters relating to his official duties, the
 72 legislative auditor shall have the powers possessed by courts of

1 the Minnesota post-retirement investment fund and shall be paid
2 ~~by him~~ monthly to the recipients entitled thereto.

3 No change for subd 4

003A#03S

4 3A.03 CONTRIBUTIONS.

5 Subdivision 1. PERCENTAGE. Every member of the
6 legislature shall contribute nine percent of ~~his~~ total salary,
7 by payroll deduction, to be paid into the state treasury and
8 deposited in the general fund. It shall be the duty of the
9 director to record the periodic contributions of each member of
10 the legislature and credit such contribution to the member's
11 account.

12 Subd. 2. REFUND. (1) Any person who has made
13 contributions pursuant to subdivision 1 who is no longer a
14 member of the legislature is entitled to receive upon
15 application to the director a refund of all contributions
16 credited to the member's account with interest at the rate of
17 five percent per annum compounded annually.

18 (2) The refund of contributions as provided in clause (1)
19 above terminates all rights of a former member of the
20 legislature or ~~his or her~~ survivors of the former member under
21 this chapter. Should the former member of the legislature again
22 be a member of the legislature after having taken a refund as
23 provided above, ~~he or she~~ the member shall be considered a new
24 member. However, a new member may reinstate the rights and
25 credit for service forfeited, provided the new member repays all
26 refunds taken plus interest thereon at six percent per annum
27 compounded annually.

28 (3) No person shall be required to apply for or accept a
29 refund.

003A#06S

30 3A.06 RESIGNATION FROM RETIREMENT SYSTEMS.

31 A member of the legislature who is a member of the
32 Minnesota state retirement system, the public employees
33 retirement association, the state teachers retirement fund, or
34 other retirement association or fund authorized by law for
35 employees in public employment, may resign as such a member at
36 any time from and after May 27, 1965, notwithstanding any
37 provision of any other law to the contrary, and shall receive a
38 refundment of ~~his~~ contributions as otherwise provided by law.

003A#10S

39 3A.10 ONE TERM OF SERVICE BEING A CERTAIN TIME.

40 No change for subd 1

41 Subd. 2. In the case of a member of either house of the
42 legislature who is elected to serve the remainder of an
43 unexpired term or who is seated and subscribes to ~~his~~ the oath
44 of office after the day appointed by law for the opening of the
45 legislature, the member shall be considered to have served the
46 number of years which ~~he~~ would have been served had ~~he-taken~~
47 the oath of office been taken on the day appointed for the
48 commencement of the full term of office.

003A#12S

49 3A.12 COVERAGE BY MORE THAN ONE RETIREMENT SYSTEM OR
50 ASSOCIATION.

51 Subdivision 1. ENTITLEMENT TO ANNUITY. Any
52 legislator who has been an employee covered by the Minnesota
53 state retirement system, or a member of the public employees
54 retirement association including the public employees retirement
55 association police and fire fund, or the teachers retirement
56 association, or the Minneapolis employees retirement fund, or
57 the state patrol retirement fund, or any other public employee
58 retirement system in the state of Minnesota having a like
59 provision but excluding all other funds providing benefits for
60 police or firefighters, shall be entitled when qualified to an
61 annuity from each fund if ~~his~~ the total allowable service for
62 which ~~he~~ the legislator has credit in all funds or in any two of
63 these funds totals ten or more years, provided no portion of the
64 allowable service upon which the retirement annuity from one
65 fund is based is again used in the computation for benefits from
66 another fund. The annuity from each fund shall be determined by
67 the appropriate provisions of the law except that the
68 requirement that a person must have at least ten years allowable
69 service in the respective system or association shall not apply
70 for the purposes of this section provided the combined service
71 in two or more of these funds equals ten or more years. The
72 augmentation of deferred annuities provided in section 3A.02,

1 subdivision 4, shall apply to the annuities accruing hereunder.
2 No change for subd 2

004*#01S

3 4.01 CUSTODIAN OF STATE PROPERTY.

4 In addition to the powers and duties prescribed by the
5 constitution, the governor shall be the custodian of all
6 property of the state not especially intrusted by law to other
7 officers and may take possession thereof without legal process
8 and adopt such measures for its safekeeping as ~~he~~ the governor
9 deems proper.

*

004*#02S

10 4.02 SECRETARY AND OTHER EMPLOYEES.

11 The governor shall appoint a private secretary, who shall
12 keep a record of all important official letters to and from the
13 governor and of such others as the governor shall direct, which
14 record shall be preserved in the executive office and produced
15 before the legislature whenever requested. ~~He~~ The governor
16 shall appoint an executive clerk, a stenographer, and two
17 executive messengers. The governor shall prepare and enforce
18 rules fixing the details of service for all these employees.

*

004*#03S

19 4.03 PROCLAMATIONS.

20 When the governor convenes the legislature in extra session
21 ~~he shall do so~~ it shall be done by proclamation, giving to the
22 members such notice as ~~he~~ the governor deems necessary of the
23 time of meeting; and when assembled ~~he~~ the governor shall inform
24 them of the purposes for which they are convened. ~~He~~ The
25 governor shall set apart and proclaim one day in each year as a
26 day of solemn and public thanksgiving to Almighty God for ~~His~~
27 blessings to the people and no business shall be transacted on
28 that day at any of the departments of state. All proclamations
29 of the governor required or authorized by law shall be filed
30 with the secretary of state.

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004*#035S

31 4.035 EXECUTIVE ORDERS.

32 Subdivision 1. APPLICABILITY. A written statement
33 or order executed by the governor pursuant to ~~his~~ constitutional
34 or statutory authority and denominated ~~by him~~ as an executive
35 order, or a statement or order of the governor required by law
36 to be in the form of an executive order, shall be uniform in
37 format, shall be numbered consecutively, and shall be effective
38 and expire as provided in this section. Executive orders
39 creating agencies shall be consistent with the provisions of
40 this section and section 15.0593.

*
*

41 Subd. 2. EFFECTIVE DATE. An executive order issued
42 pursuant to sections 12.31 to 12.32 or any other emergency
43 executive order issued to protect a person from an imminent
44 threat to ~~his~~ health and safety shall be effective immediately
45 and shall be filed with the secretary of state and published in
46 the state register as soon as possible after its issuance.
47 Emergency executive orders shall be identified as such in the
48 order. Any other executive order shall be effective upon 15
49 days after its publication in the state register and filing with
50 the secretary of state. The governor shall submit a copy of the
51 executive order to the commissioner of administration to
52 facilitate publication in the state register.

*

53 Subd. 3. EXPIRATION DATE. Unless an earlier date is
54 specified by statute or by executive order, an executive order
55 shall expire 90 days after the date that the governor who issued
56 the order vacates ~~his~~ office.

*

004*#04S

57 4.04 POWERS.

58 Subdivision 1. The governor shall appoint and when
59 necessary commission all officers and employees of the state
60 whose selection is not otherwise provided for by law and, at ~~his~~
61 pleasure, may remove any such appointee whose term of service is
62 not by law prescribed. ~~He~~ The governor shall exercise such
63 powers of appointment, suspension, and removal in respect of
64 other officials as are conferred ~~on him~~ by law. Whenever the
65 great seal of the state is lost or worn out, the governor shall
66 cause the same to be replaced.

*
*
*

67 Subd. 2. The governor may delegate to the lieutenant
68 governor such powers, duties, responsibilities and functions as
69 are prescribed by law to be performed by the governor, subject
70 to ~~his~~ the governor's control, by filing a written order
71 specifying such delegation with the secretary of state;

*

1 provided, however, that no power, duty, responsibility or
 2 function imposed upon the governor by the constitution shall be
 3 delegated by such written order or otherwise.

004*#06S

4 4.06 VACANCY, SUCCESSION.

5 When a vacancy occurs, from any cause whatever, in the
 6 office of governor, the lieutenant governor shall become
 7 governor and the last duly elected president of the senate shall
 8 become lieutenant governor for the remainder of the term. When
 9 a vacancy occurs, from any cause whatever, in the office of
 10 governor and in the office of lieutenant governor, the president
 11 of the senate shall become governor for the remainder of the
 12 term. If there be no president of the senate, then the speaker
 13 of the house of representatives shall become governor for the
 14 remainder of the term; or if there be none, then the secretary
 15 of state, or the auditor, or the treasurer, or the attorney
 16 general, in that order, shall upon ~~his~~ resignation from office, *
 17 become governor for the remainder of the term.

18 In case of the death or other failure to take office of the
 19 governor-elect, the lieutenant governor-elect shall become
 20 governor from the same time and in the same manner and for the
 21 same term as provided for the governor-elect. In case of the
 22 death or other failure to take office of both the governor-elect
 23 and lieutenant governor-elect, the last duly elected president *
 24 of the senate, or in the case of ~~his~~ death or other failure to *
 25 take office, the last duly elected speaker of the house of *
 26 representatives, or in the case of ~~his~~ death or other failure to
 27 take office, the secretary of state-elect, or under the same
 28 circumstances the auditor-elect, the treasurer-elect or the
 29 attorney general-elect, in that order shall become governor from
 30 the same time and in the same manner and for the same term as
 31 provided for the governor-elect.

004*#07S

32 4.07 GOVERNOR AS STATE AGENCY FOR FEDERAL FUNDS.

33 No change for subd 1

34 Subd. 2. The governor may designate a state agency or
 35 agencies to act for ~~him~~ the governor in applying for, receiving, *
 36 and accepting federal funds under the provisions of subdivision
 37 1. Such designation of a state department or agency shall be
 38 filed in the office of the secretary of state.

39 Subd. 3. The governor or any state department or agency
 40 designated by ~~him~~ the governor shall comply with any and all *
 41 requirements of federal law and any rules and regulations
 42 promulgated thereunder to enable the application for, the
 43 receipt of, and the acceptance of such federal funds. The
 44 expenditure of any such funds received shall be governed by the
 45 laws of the state except insofar as federal requirements may
 46 otherwise provide. All such moneys received by the governor or
 47 any state department or agency designated by ~~him~~ the governor *
 48 for such purpose shall be deposited in the state treasury and
 49 are hereby appropriated annually in order to enable the governor
 50 or the state department or agency designated by ~~him~~ the governor *
 51 for such purpose to carry out the purposes for which the funds
 52 are received. None of such federal moneys so deposited in the
 53 state treasury shall cancel and they shall be available for
 54 expenditure in accordance with the requirements of federal law.

004*#077S

55 4.077 ST. PAUL LANDMARK AUTHORITY.

56 No change for subd 1

57 Subd. 2. (1) To implement state and national policy a
 58 public corporation sole is hereby created in the persons of the
 59 governors of the state of Minnesota, that is, in the person of
 60 the incumbent governor and in the person of each ~~of-his~~ *
 61 successors successor in turn, named "the governor's office for a *
 62 Minnesota landmark", but referred to herein as "the corporation".

63 (2) The purpose of the corporation is the acquisition,
 64 preservation, and appropriate use for the public benefit of the
 65 courts building, a public purpose, and in pursuance of this
 66 purpose it has the powers and duties herein enumerated.

67 (3) The corporation is empowered to take title to the
 68 courts building by a donative grant as an instrumentality of the
 69 state, with such restrictions and conditions compatible with
 70 appropriate use of the courts building as may be imposed by
 71 federal authority, but it shall first determine, after
 72 consideration of all relevant factors, including but not limited
 73 to potential income from all sources, that ownership and

1 appropriate use will be feasible and probably self-supporting.
2 (4) "Appropriate use" as a purpose of the corporation
3 created by Laws 1971, Chapter 605, means that the corporation
4 will own, control, manage, and use the courts building if the
5 courts building is transferred to it:

6 (a) to provide space therein by lease or other arrangement
7 to tax supported and other non-profit educational institutions
8 for school, classroom, or other educational use, or use in
9 protection of public health; or

10 (b) as an historic monument; and

11 (c) whether or not used as in (a) or (b), for such other
12 use, private and public, as may be compatible with the
13 conditions and restrictions of the grant, permissible under
14 controlling law and regulation governing the use under the
15 grant, and in accord with the purpose of the corporation.

16 No change for subd 3 to 5

004*#31S

17 4.31 OFFICE OF VOLUNTEER SERVICES.

18 No change for subd 1 to 4

19 Subd. 5. The commissioner of administration shall appoint
20 an advisory committee of not more than 21 members, at least one
21 member from each economic development region, to advise and make
22 recommendations to ~~him~~ the commissioner and the director of *
23 volunteer services. Notwithstanding this numerical limitation,
24 members currently serving on an advisory group to the office of
25 volunteer services shall complete their prescribed terms of
26 office; thereafter, appointments of successors shall be made so
27 as to be consistent with the numerical limitation contained in
28 this section. Membership terms, compensation, removal and
29 filling of vacancies of members and expiration of the advisory
30 committee shall be as provided in section 15.059; provided, that
31 members shall not be eligible for a per diem.

005*#02S

32 5.02 ASSISTANTS.

33 The secretary of state shall appoint an assistant secretary
34 of state, who shall perform all the duties of the office when
35 the secretary is absent or disabled. ~~He~~ The secretary may also *
36 employ a chief clerk, a recording clerk, and a stenographer,
37 who, besides the duties indicated by their titles, shall perform
38 such services in connection with the office as the secretary
39 or ~~his~~ the assistant may require. *

005*#07S

40 5.07 OATHS, ACKNOWLEDGMENTS.

41 The secretary of state shall have power to administer oaths
42 and take acknowledgments and to certify the same, appending the
43 great seal of the state as the seal of ~~his~~ office. *

006*#01S

44 6.01 DUTIES, SEAL.

45 The state auditor shall superintend and manage the fiscal
46 concerns of the state as required by law. ~~He~~ The state auditor *
47 may execute in behalf of the state assignments and satisfactions
48 of judgments rendered in its favor. ~~He~~ The state auditor shall *
49 have a seal bearing the words "Seal of the Auditor of Minnesota"
50 and affix it to all official certificates and conveyances
51 executed by ~~him~~ the state auditor. *

006*#02S

52 6.02 DEPUTY, EMPLOYEES.

53 The state auditor shall appoint a deputy, who may perform
54 all the duties of the office when the auditor is absent or
55 disabled. ~~He~~ The state auditor may employ and at pleasure *
56 dismiss a private secretary.

006*#26S

57 6.26 SALARY, BOND.

58 The salary of the state auditor shall be as provided by law
59 ~~and he~~. The state auditor shall give a corporate bond of *
60 \$50,000 to the state for the faithful discharge of ~~his~~ duties. *

006*#48S

61 6.48 EXAMINATION OF COUNTIES; COST, FEES.

62 All the powers and duties conferred and imposed upon the
63 state auditor shall be exercised and performed by ~~him~~ the state *
64 auditor in respect to the offices, institutions, public *
65 property, and improvements of several counties of the state. At
66 least once in each year, if funds and personnel permit, the
67 state auditor shall visit, without previous notice, each county
68 and make a thorough examination of all accounts and records
69 relating to the receipt and disbursement of the public funds and

1 the custody of the public funds, including the game and fish
 2 funds, and other property. He The state auditor shall prescribe *
 3 and install systems of accounts and financial reports that shall
 4 be uniform, so far as practicable, for the same class of
 5 offices. A copy of the report of such examination shall be
 6 filed and be subject to public inspection in the office of the
 7 state auditor and another copy in the office of the auditor of
 8 the county thus examined. The state auditor may accept the
 9 records and audit, or any part thereof, of the department of
 10 human services in lieu of ~~his~~ examination of the county social *
 11 welfare funds, if such audit has been made within any period
 12 covered by the state auditor's audit of the other records of the
 13 county. If any such examination shall disclose malfeasance,
 14 misfeasance, or nonfeasance in any office of such county, such
 15 report shall be filed with the county attorney of the county,
 16 and ~~it~~ the county attorney shall be his duty to institute such *
 17 civil and criminal proceedings as the law and the protection of
 18 the public interests shall require.

19 The county receiving such examination, and the division of
 20 game and fish of the department of natural resources of the
 21 state of Minnesota, in the case of the examination of the game
 22 and fish funds, shall pay to the state auditor's revolving fund,
 23 notwithstanding the provisions of section 16A.125, the total
 24 cost and expenses of such examinations, including the salaries
 25 paid to the examiners while actually engaged in making such
 26 examination. The state auditor ~~if he deems~~ on deeming it *
 27 advisable may bill counties, having a population of 200,000 or
 28 over, monthly for services rendered and the officials
 29 responsible for approving and paying claims shall cause said
 30 bill to be promptly paid. The revolving fund of the state
 31 auditor shall be credited with all collections made for any such
 32 examinations.

006*#49S

33 6.49 CITIES OF FIRST CLASS.
 34 All powers and duties conferred and imposed upon the state
 35 auditor with respect to state and county officers, institutions,
 36 property, and improvements are hereby extended to cities of the
 37 first class. Copies of the written report of the state auditor
 38 on the financial condition and accounts of such city shall be
 39 filed in ~~his~~ the state auditor's office, with the mayor, city *
 40 council, and city comptroller thereof, and with the city
 41 commissioners, if such city have such officers. If such report
 42 disclose malfeasance, misfeasance, or nonfeasance in office,
 43 copies thereof shall be filed with the city attorney thereof and
 44 with the county attorney of the county in which such city is
 45 located, and these officials of the law shall institute such
 46 proceedings, civil or criminal, as the law and the public
 47 interest require.
 48 The state auditor ~~if he deems it advisable~~ may bill said *
 49 cities monthly for services rendered and the officials
 50 responsible for approving and paying claims shall cause said
 51 bill to be promptly paid.

006*#50S

52 6.50 CITIES OF SECOND, THIRD, OR FOURTH CLASS.
 53 The state auditor shall have like power and duty to
 54 supervise the accounts of all cities not included in section
 55 6.49. ~~He shall have the authority to~~ The state auditor may *
 56 ~~require, in his discretion,~~ the financial officers of any city *
 57 not included in section 6.49 to send all books, accounts, and
 58 vouchers pertaining to the receipt, disbursement, and custody of
 59 its public funds to the office of the state auditor for
 60 examination. He The state auditor may prescribe and install for *
 61 such cities systems of accounts and reports, which shall be
 62 uniform for each class of cities and offices. He The state *
 63 auditor may conduct such examinations of accounts and records as *
 64 ~~he~~ the state auditor may deem the public interest to demand. *

65 The report of such examination shall be filed with the
 66 mayor and city council or commission; and, in case of any
 67 violation of law, such report shall be filed with the city
 68 attorney thereof and with the county attorney of the county in
 69 which the administrative offices of such city are located, and
 70 these officials of the law shall institute such proceedings as
 71 the law and the public interest require.

006*#515S

72 6.515 AUDIT OF FEDERAL MONEYS.
 73 The state auditor, in respect to any political subdivision

1 ~~over-which-he-has~~ subject to the state auditor's audit *
 2 jurisdiction provided by chapter 6, is empowered to examine all
 3 accounts and records of the subdivision relating to funds
 4 consisting in whole or part of moneys received from the federal
 5 government or any agency thereof.

006*#52S

6 6.52 TESTIMONIAL POWERS.

7 In all matters relating to ~~his~~ official duties, the state *
 8 auditor shall have the powers possessed by courts of law to
 9 issue subpoenas and cause them to be served and enforced. All
 10 state and county auditors, treasurers, and other public
 11 officials, and their respective deputies and employees, all
 12 officers, directors, and employees of all railway and other
 13 companies required by law to pay taxes to the state upon a gross
 14 earnings basis, and all persons having dealings with or
 15 knowledge of the affairs or methods of such companies, and
 16 likewise all corporations, firms, and individuals having
 17 business involving the receipt, disbursement, or custody of the
 18 public funds shall at all times afford reasonable facilities for
 19 such examinations, make such returns and reports to the state
 20 auditor as ~~he may require~~ required, attend and answer under *
 21 oath ~~his~~ the auditor's lawful inquiries, produce and exhibit *
 22 such books, accounts, documents, and property as ~~he~~ the auditor *
 23 may desire to inspect, and in all things aid ~~him~~ the auditor in *
 24 the performance of ~~his~~ duties. *

006*#53S

25 6.53 REFUSAL TO ASSIST; PENALTY.

26 Every person who shall refuse or neglect to obey any lawful *
 27 direction of the state auditor, or ~~his~~ the auditor's deputy or *
 28 ~~any-of-his~~ assistants; withhold any information, book, record, *
 29 paper, or other thing called for by ~~him~~ the auditor for the *
 30 purpose of examination; wilfully obstruct or mislead ~~him~~ the *
 31 auditor in the execution of ~~his~~ duties; or swear falsely *
 32 concerning any matter stated under oath, shall be guilty of a *
 33 felony, the minimum penalty whereof shall be a fine of \$3,000,
 34 or imprisonment in the Minnesota correctional
 35 facility-Stillwater for one year.

006*#552S

36 6.552 AUDIT OF COUNTY OR MUNICIPAL HOSPITALS.

37 Notwithstanding the provisions of any law to the contrary,
 38 any county or municipal hospital board may employ a certified
 39 public accountant to annually audit and examine the books of
 40 said hospital. The report of such examination or audit by such
 41 certified public accountant shall be submitted to the state
 42 auditor who shall review such audit report and may accept such
 43 audit or make such additional examinations as ~~he~~ the state *
 44 auditor deems to be in the public interest. *

006*#56S

45 6.56 COST OF EXAMINATION, PAYMENT.

46 Upon the examination of the books, records, accounts, and
 47 affairs of any county, city, town, or school district, as
 48 provided by law, such county, city, town, or school district
 49 shall be liable to the state for the total cost and expenses of
 50 such examination, including the salaries paid to the examiners
 51 while actually engaged in making such examination. The state
 52 auditor ~~if-he-deems-it-advisable~~ may bill such county, city, *
 53 town, or school district monthly for service rendered and the
 54 officials responsible for approving and paying claims are
 55 authorized to pay said bill promptly. Said payments shall be
 56 without prejudice to any defense against said claims that may
 57 exist or be asserted. The revolving fund of the state auditor
 58 shall be credited with all collections made for any such
 59 examinations.

006*#58S

60 6.58 REVOLVING FUND.

61 The revolving fund established by Laws 1947, Chapter 634,
 62 Section 24, shall be used to provide personnel, pay other
 63 expenses, and for the acquisition of equipment used in
 64 connection with reimbursable examinations and other duties
 65 pursuant to law. When full time personnel are not available to *
 66 ~~carry-out-his-duties~~, the state auditor may contract with *
 67 private persons, firms, or corporations for accounting and other
 68 technical services. Notwithstanding any law to the contrary,
 69 the acquisition of equipment may include duplicating equipment
 70 to be used in producing the reports issued by the department.
 71 All receipts from such reimbursable examinations shall be

1 deposited in the fund and are hereby reappropriated to that
 2 purpose. The state auditor is directed to adjust ~~his~~ the *
 3 schedule of charges for such examinations to provide that such
 4 charges shall be sufficient to cover all costs of such
 5 examinations and that the aggregate charges collected shall be
 6 sufficient to pay all salaries and other expenses including
 7 charges for the use of the equipment used in connection with
 8 such reimbursable examinations and including the cost of
 9 contracting for accounting and other technical services. The
 10 schedule of charges shall be based upon an estimate of the cost
 11 of performing reimbursable examinations including, but not
 12 limited to, salaries, office overhead, equipment, authorized
 13 contracts, and other expenses. The state auditor may allocate a
 14 proportionate part of the total costs to an hourly or daily
 15 charge for each person or class of persons engaged in the
 16 performance of an examination. The schedule of charges shall
 17 reflect an equitable charge for the expenses incurred in the
 18 performance of any given examination. The state auditor shall
 19 review and adjust the schedule of charges for such examinations
 20 at least annually and have all schedules of charges approved by
 21 the commissioner of finance before they are adopted so as to
 22 insure that the amount collected shall be sufficient to pay all
 23 the costs connected with such examinations during the fiscal
 24 year and that the unobligated balance, including accounts
 25 receivable, in the revolving fund at the end of each fiscal year
 26 shall not be less than \$315,000. The unobligated balance in the
 27 revolving fund in excess of \$350,000, as of June 30 of each
 28 fiscal year, shall be canceled into the general fund.

006*#62S

29 6.62 POST-AUDIT; TAX LEVY.

30 No change for subd 1

31 Subd. 2. COST OF POST-AUDIT. The amount of said
 32 levy shall be the amount of the claim or claims submitted by the
 33 state auditor for such services or ~~his~~ the auditor's estimate of *
 34 the entire cost, and said amount shall be certified by the
 35 governing body, after the request or petition for the audit has
 36 been filed, to the county auditor, along with amounts requested
 37 for other governmental purposes. If such levy has been made in
 38 excess of statutory limitations, and if the request or petition
 39 is withdrawn after the amount of the levy has been certified but
 40 the levy cannot be canceled because it has been spread on the
 41 tax lists, the governing body shall cause the proceeds of such
 42 levy to be transferred to the general fund and reduce the
 43 succeeding year's levy for general purposes accordingly.
 44 Provided, however, counties, cities, and other governmental
 45 units whose financial affairs are required by statute or charter
 46 to be audited at regular intervals may levy annually or
 47 biennially in anticipation of the audit expense, without the
 48 presentment of such claim or estimate by the state auditor.

49 No change for subd 3

006*#67S

50 6.67 PUBLIC ACCOUNTANTS; REPORT OF EVIDENCE POINTING TO
51 MISCONDUCT.

52 Whenever a public accountant in the course of ~~his-audit-of~~ *
 53 auditing the books and affairs of a city, town, school district, *
 54 or other public corporations, shall discover evidence pointing
 55 to nonfeasance, misfeasance, or malfeasance, on the part of an
 56 officer or employee in the conduct of ~~his~~ duties and affairs, *
 57 the public accountant shall promptly make a report of such
 58 discovery to the state auditor and the county attorney of the
 59 county in which the governmental unit is situated and the public
 60 accountant shall also furnish a copy of ~~his~~ the report of audit *
 61 upon completion to said officers. The county attorney shall act *
 62 on such report in the same manner as ~~he-is~~ required by law to *
 63 ~~act-on~~ for reports made to ~~him~~ the county attorney by the state *
 64 auditor.

006*#68S

65 6.68 STATE AUDITOR MAY ASSIST PUBLIC ACCOUNTANT IN AUDIT.

66 Subdivision 1. If in ~~his~~ an audit of a city, town, school *
 67 district, or other public corporation, a public accountant has *
 68 need of the assistance of the state auditor, ~~he~~ the accountant *
 69 may obtain such assistance by requesting the governing body of
 70 the governmental unit being examined to request the state
 71 auditor to perform such auditing or investigative services, or
 72 both, as the matter and the public interest require.

73 Subd. 2. The state auditor shall work in close cooperation

1 with the public accountant in rendering the services so
 2 requested and the state auditor shall make such report of ~~his~~ *
 3 findings to the county attorney as ~~he~~ is required by law to ~~make~~ *
 4 be made of nonfeasance, misfeasance, and malfeasance discovered *
 5 by ~~him~~ the state auditor. The governmental unit shall be liable *
 6 for the payment of such services so performed by the state
 7 auditor in the same manner as if it had requested the services
 8 pursuant to section 6.55.

006*#71S

9 6.71 SCOPE OF AUDITOR'S INVESTIGATION.
 10 Whenever the governing body of a city, town, or school
 11 district shall have requested a public accountant to make an
 12 audit of its books and affairs, and such audit is in progress or
 13 has been completed, and freeholders petition or the governing
 14 body requests or both the state auditor to make an examination
 15 covering the same, or part of the same, period, the state
 16 auditor may, ~~if he deems it~~ in the public interest, limit the *
 17 scope of ~~his~~ the examination to less than that specified in *
 18 section 6.54, but the scope shall cover, at least, an
 19 investigation of those complaints which are within the state
 20 auditor's powers and duties to investigate.

006*#74S

21 6.74 INFORMATION COLLECTED FROM LOCAL GOVERNMENTS.
 22 The state auditor, or ~~his~~ a designated agent, shall collect *
 23 annually from all city, county, and other local units of
 24 government, information as to the assessment of property,
 25 collection of taxes, receipts from licenses and other sources,
 26 the expenditure of public funds for all purposes, borrowing,
 27 debts, principal and interest payments on debts, and such other
 28 information as may be needful. The data shall be supplied upon
 29 blanks prescribed by the state auditor, and all public officials
 30 so called upon shall fill out properly and return promptly all
 31 blanks so transmitted. The state auditor or ~~his~~ assistants, may *
 32 examine local records in order to complete or verify the
 33 information. Copies of all reports so received shall be
 34 forwarded by the state auditor to the legislative auditor.

006*#75S

35 6.75 ANNUAL REPORT.
 36 The state auditor shall make and file, annually, in ~~his~~ the *
 37 state auditor's office a summary report of the information *
 38 collected, with such compilations and analyses and
 39 interpretations as may be deemed helpful. Copies of such report
 40 may be made and distributed to interested persons and
 41 governmental units. A copy of the report shall be forwarded to
 42 the legislative auditor.

007*#06S

43 7.06 WARRANTS; DISCOUNTS.
 44 The state treasurer shall in no case purchase, redeem, or
 45 receive any warrant at less than its face value, nor ~~shall he~~ *
 46 receive any fee or reward for transacting any official duty,
 47 other than the salary provided by law. If the public revenue
 48 shall suffer loss by reason of ~~his~~ the treasurer's failure to *
 49 call delinquents to account when required to do so by law, ~~he~~ *
 50 the treasurer shall be accountable for all sums due from such *
 51 delinquents as if the same had been paid.

007*#09S

52 7.09 GIFTS; ACCEPTANCE.
 53 No change for subd 1 to 2
 54 Subd. 3. GIFT SUBJECT TO CONTRACT. Whenever the
 55 gift, bequest, devise, or endowment referred to in subdivisions
 56 1 and 2 consists of real property, or an interest therein, which
 57 is subject to a contract for the conveyance thereof made by the
 58 donor or a predecessor in interest with another, or of the
 59 vendor's interest, or some portion thereof, in such a contract
 60 for conveyance, the state treasurer is authorized, on behalf of
 61 and in the name of the State of Minnesota, upon receipt from the
 62 vendee under such contract for conveyance, ~~his~~ or the vendee's *
 63 personal representatives or assigns, of such amounts as are due
 64 the state or the department, agency, or institution involved, to
 65 execute a deed conveying to such vendee, ~~his~~ or the vendee's *
 66 personal representatives or assigns, all the right, title, and
 67 interest of the State of Minnesota in and to the real property
 68 involved.
 69 Subd. 4. TERMINATION OF CONTRACT. In case of
 70 default by the purchaser, ~~his~~ or the purchaser's personal *
 71 representatives or assigns, in the conditions of any such

1 contract for the conveyance of real estate, the state treasurer
2 is authorized, in the name of the State of Minnesota, to
3 terminate such contract under and pursuant to the provisions of
4 Minnesota Statutes 1941, Section 559.21.

5 No change for subd 5

007*#10S

6 7.10 ADMINISTRATION OF GIFTS.

7 In case any such gift, bequest, devise, or endowment is so
8 accepted, the same and the proceeds thereof shall be
9 administered and applied according to the terms of the will,
10 deed of gift, or other instrument defining, providing for,
11 creating, or establishing the same; but all such property and
12 funds shall be held by the state treasurer in his an official
13 capacity and paid out and disbursed the same as other state
14 funds.

007*#19S

15 7.19 DEPOSITORIES, DESIGNATION.

16 Where any statute of this state requires or permits a bank
17 or trust company to deposit securities with the state treasurer,
18 the latter, on the request of such depositor, may designate some
19 other bank or trust company as the depository of such securities
20 under such depository agreement as may be prescribed and
21 approved by him the depositor, and which will not deprive the
22 state treasurer of the control thereof and the charges of such
23 depository shall be paid by the depositing bank or trust
24 company. If such depositing bank or trust company is a member
25 of the federal reserve system, the federal reserve bank in this
26 state may be the depository designated by the state treasurer.

007*#193S

27 7.193 DEPOSITS OF CERTAIN FUNDS OF PUBLIC CORPORATIONS,
28 SECURITY.

29 Subdivision 1. DEPOSITORY TO GIVE BOND. Whenever
30 ~~the state treasurer has been~~ if designated treasurer of any
31 public corporation by any statute of this state ~~as treasurer of~~
32 ~~any public corporation~~, he the state treasurer may, unless
33 ~~otherwise provided in the statutes relating to such public~~
34 ~~corporation, deposit any public corporation funds coming into~~
35 ~~his hands as such treasurer~~ in any bank or trust company in this
36 state designated by him the state treasurer unless otherwise
37 provided in the statutes relating to such public corporation.
38 Such deposits shall be deemed deposits of public funds, and said
39 treasurer may require any bank or trust company in which such
40 funds are deposited to give a corporate surety bond for the
41 repayment of such funds or to deposit collateral securities to
42 secure such deposits. Collateral securities so pledged shall
43 consist of bonds and similar securities which are eligible as
44 collateral security for deposits of state funds deposited in
45 depositories designated by the executive council of this state.
46 Such bond or collateral shall be in such amount as shall be
47 fixed by the treasurer.

48 Subd. 2. STATE TREASURER RELIEVED FROM LIABILITY.

49 The state treasurer shall not be liable for the safekeeping of
50 moneys deposited by him the treasurer which are secured by a
51 corporate surety bond or a pledge of collateral securities as
52 herein provided.

53 No change for subd 3

008*#01S

54 8.01 APPEARANCE.

55 The attorney general shall appear for the state in all
56 causes in the supreme and federal courts wherein the state is
57 directly interested; also in all civil causes of like nature in
58 all other courts of the state whenever, in his the attorney
59 general's opinion, the interests of the state require it. Upon
60 request of the county attorney he, the attorney general shall
61 appear in court in such criminal cases as ~~he shall deem the~~
62 attorney general deems proper. Whenever the governor shall so
63 request, in writing, he the attorney general shall prosecute any
64 person charged with an indictable offense, and in all such
65 cases he may attend upon the grand jury and exercise the powers
66 of a county attorney.

008*#02S

67 8.02 DEPUTIES, ASSISTANTS.

68 Subdivision 1. [APPOINTMENT OF DEPUTIES AND ASSISTANTS.]
69 The attorney general may appoint, and at his pleasure remove,
70 six deputy attorneys general and 16 assistant attorneys general,
71 who. The appointees shall render such aid as he may require is

1 required of them in the discharge of ~~his~~ the official duty *
 2 duties of the attorney general. ~~He shall keep a record of his~~ *
 3 ~~official correspondence and of all matters placed in his hands~~ *
 4 ~~by the governor, auditor, commissioner of finance, secretary of~~ *
 5 ~~state, or treasurer, or any officer or board in charge of any of~~ *
 6 ~~the business of the state upon which any official action is~~ *
 7 ~~necessary, he shall also keep a record of all legal proceedings~~ *
 8 ~~instituted by him or in which he appears, and of the several~~ *
 9 ~~steps taken therein. All official opinions shall be in writing~~ *
 10 ~~and copies thereof made and filed in his office. The deputy~~ *
 11 ~~attorneys general and each of such assistants shall, To the~~ *
 12 extent authorized in writing by the attorney general, they shall *
 13 have authority to appear before grand juries or in any court of *
 14 this state, as the attorney general himself personally might do. *

15 The attorney general shall have power to employ such *
 16 assistance, whether lay, legal, or expert, as ~~he may deem~~ the *
 17 attorney general deems necessary for the protection of the *
 18 interests of the state through the proper conduct of its legal *
 19 business. *

20 Subd. 2. [RECORDKEEPING.] The attorney general shall: *

21 (1) keep a record of official correspondence and of all *
 22 matters presented by the governor, auditor, commissioner of *
 23 finance, secretary of state, or treasurer, or any officer or *
 24 board in charge of the business of the state upon which any *
 25 official action is necessary; *

26 (2) keep a record of all legal proceedings that the *
 27 attorney general's office institutes or appears in and the *
 28 several steps taken therein; and *

29 (3) make official opinions in writing and file the opinions *
 30 in the attorney general's office. *

008*#025S

31 8.025 PART TIME SPECIAL ATTORNEYS, PAYMENT ON HOURLY *
 32 BASIS. *

33 No part time special attorney assigned to any professional *
 34 or occupational licensing board of state government, after *
 35 having received \$10,000 for his performing official duties in *
 36 any fiscal year, regardless of the fund from which ~~he is paid~~ *
 37 the payment is made, shall be paid an hourly amount exceeding *
 38 the equivalent amount paid full time special assistant attorneys *
 39 general, plus reasonable office expenses, as approved by the *
 40 attorney general. *

008*#03S

41 8.03 PROSECUTIONS.

42 The attorney general shall cause to be prosecuted all *
 43 assessors and other officials for such delinquencies in *
 44 connection with revenue laws as may ~~come to his knowledge~~ become *
 45 known; also all bonds of officers and others upon which any *
 46 liability to the state has accrued. When any corporation shall *
 47 have offended against the laws of the state, or misused, *
 48 surrendered, abandoned, or forfeited its corporate authority, or *
 49 any of its franchises or privileges, he the attorney general *
 50 shall cause proceedings to be instituted against it. *

008*#04S

51 8.04 PUBLIC LANDS.

52 The attorney general shall begin and prosecute actions *
 53 against all persons claiming to own any portion of the school or *
 54 other public lands adversely to the state, whenever, in his the *
 55 attorney general's opinion, an action can be sustained, and *
 56 shall cause an appearance to be entered for the state ~~whenever~~ *
 57 an on learning of any application to preempt any such land ~~shall~~ *
 58 come to his notice. In case of any such application he the *
 59 attorney general may require the county attorney of the county *
 60 in which the same is made to enter such appearance, and he may *
 61 cause witnesses to be subpoenaed, and take such other measures *
 62 in the premises as the public interests may require. *

008*#05S

63 8.05 FORMS PREPARED; OPINIONS.

64 The attorney general shall prepare forms for bonds and *
 65 other contracts and instruments for the use of state officials, *
 66 boards, and commissions and give legal advice in all matters *
 67 relating to their official duties, whenever required by the *
 68 governor, auditor, treasurer, or secretary of state, or any *
 69 board or commission created by law. When required by either *
 70 house of the legislature he the attorney general shall give his *
 71 a written opinion upon any question of law. The attorney *
 72 general similarly shall give his a written opinion upon any *

1 question of law submitted ~~to him~~ by a permanent or interim
 2 committee or commission of the legislature or of either house of
 3 the legislature, including but not limited to an interim
 4 committee of the legislature created by law for a county
 5 containing a city of the first class.

008*#06S

6 8.06 ATTORNEY FOR STATE OFFICERS, BOARDS, OR
 7 COMMISSIONS; EMPLOY COUNSEL.

8 The attorney general shall act as the attorney for all
 9 state officers and all boards or commissions created by law in
 10 all matters pertaining to their official duties ~~and~~. When
 11 requested by the attorney general, it shall be the duty of any
 12 county attorney of the state to appear within his the county and
 13 act as attorney for any such board, commission, or officer in
 14 any court of such county; ~~and when, in his judgment, the public~~
 15 ~~welfare will be promoted thereby.~~ The attorney general may,
 16 upon request in writing, employ, and fix the compensation of, a
 17 special attorney for any such board, commission, or officer ~~and~~
 18 ~~fix his compensation, and~~ when, in the attorney general's
 19 judgment, the public welfare will be promoted thereby. Such
 20 ~~special attorney is so employed his~~ attorney's fees or salary
 21 shall be paid from the appropriation made for such board,
 22 commission, or officer. Except as herein provided, no board,
 23 commission, or officer shall hereafter employ any attorney at
 24 the expense of the state.

25 Whenever the attorney general, the governor, and the chief
 26 justice of the supreme court shall certify, in writing, filed in
 27 the office of the secretary of state, that it is necessary, in
 28 the proper conduct of the legal business of the state, either
 29 civil or criminal, that the state employ additional counsel, the
 30 attorney general shall thereupon be authorized to employ such
 31 counsel and, with the governor and the chief justice, fix his
 32 the additional counsel's compensation. Except as herein stated,
 33 no additional counsel shall be employed and the legal business
 34 of the state shall be performed exclusively by the attorney
 35 general and his the attorney general's assistants.

008*#07S

36 8.07 OPINIONS; COUNTY, CITY, TOWN, SCHOOL ATTORNEYS,
 37 COMMISSIONER OF EDUCATION.

38 The attorney general on application shall give his an
 39 opinion, in writing, to county, city, town attorneys, or the
 40 attorneys for the board of a school district or unorganized
 41 territory on questions of public importance; and on application
 42 of the commissioner of education he shall give his an opinion,
 43 in writing, upon any question arising under the laws relating to
 44 public schools. On all school matters such opinion shall be
 45 decisive until the question involved shall be decided otherwise
 46 by a court of competent jurisdiction.

008*#08S

47 8.08 REPORT.

48 The attorney general shall report to the governor
 49 biennially on or before October 1 of each even numbered year the
 50 number, character, and result of all actions and proceedings in
 51 which he the attorney general has appeared for the state, the
 52 expense incurred by the state in each, and the amount of fines,
 53 penalties, and other moneys collected; also the opinions of
 54 general interest given by him and his assistants the attorney
 55 general's office since the preceding report, with such
 56 recommendations for amendment of the laws as he the attorney
 57 general may deem necessary or proper, and tables shall be
 58 appended showing the offenses reported to him the attorney
 59 general by county attorneys.

008*#12S

60 8.12 SOLICITOR GENERAL; DUTIES.

61 There shall be in the office of the attorney general a
 62 solicitor general who shall be appointed by the attorney general
 63 from within the limitations of his the authorized staff, and who
 64 shall perform such duties in the place and stead of the attorney
 65 general as may lawfully be assigned ~~to him~~.

008*#13S

66 8.13 CONTEST OF BARRIERS ON DAIRY PRODUCTS.

67 The attorney general is authorized to take such action as
 68 he the attorney general deems necessary in order to contest or
 69 oppose existing statutes, ordinances, regulations, orders or
 70 other trade barriers which may restrict the sale in other states
 71 of milk or other dairy products produced in Minnesota; to study

1 and investigate problems concerning the free movement of milk
 2 and other dairy products in interstate commerce and to present
 3 the results thereof to such legislative and executive agencies
 4 of the federal government and the several states, such studies,
 5 investigations and presentations to executive and legislative
 6 agencies to be made either individually or jointly with others.

008*#31S

7 8.31 ADDITIONAL DUTIES OF THE ATTORNEY GENERAL.

8 No change for subd 1

9 Subd. 2. ATTORNEY GENERAL TO ASSIST IN DISCOVERY AND
 10 PUNISHMENT OF ILLEGAL PRACTICES. When the attorney general,
 11 ~~from information in his possession,~~ has information providing a
 12 reasonable ground to believe that any person has violated, or is
 13 about to violate, any of the laws of this state referred to in
 14 subdivision 1, ~~he~~ the attorney general shall have power to
 15 investigate those violations, or suspected violations, and to
 16 take such steps as are necessary to cause the arrest and
 17 prosecution of all persons violating any of the statutes
 18 specifically mentioned in subdivision 1 or any other laws
 19 respecting unfair, discriminatory, or other unlawful practices
 20 in business, commerce, or trade. In connection with
 21 investigation under this section the attorney general upon
 22 specifying the nature of the violation or suspected violation
 23 may obtain discovery from any person regarding any matter, fact
 24 or circumstance, not privileged, which is relevant to the
 25 subject matter involved in the pending investigation, in
 26 accordance with the provisions of this subdivision. The
 27 discovery may be obtained without commencement of a civil action
 28 and without leave of court, except as expressly required by the
 29 provisions of subdivision 2a. The applicable protective
 30 provisions of rules 26.02, 26.03, and 30.04 of the rules of
 31 civil procedure for the district courts shall apply to any
 32 discovery procedures instituted pursuant to this section. The
 33 attorney general or any person to whom discovery is directed may
 34 apply to and obtain leave of the district court in order to
 35 reduce or extend the time requirements of this subdivision, and
 36 upon a showing of good cause the district court shall order such
 37 a reduction or extension. In order to obtain discovery, the
 38 attorney general may:

39 (a) Serve written interrogatories on any person. Within 20
 40 days after service of interrogatories, separate written answers
 41 and objections to each interrogatory shall be mailed to the
 42 attorney general.

43 (b) Upon reasonable written notice of no less than 15 days,
 44 require any person to produce for inspection and copying any
 45 documents, papers, books, accounts, letters, photographs,
 46 objects, or tangible things which are in ~~his~~ the possession,
 47 custody, or control of that person.

48 (c) Upon reasonable written notice of no less than 15 days,
 49 take the testimony of any person by deposition as to any fact or
 50 opinion relevant to the subject matter involved in the pending
 51 investigation.

52 For the purposes of this subdivision the term "person" has
 53 the meaning specified in section 325F.68.

54 Subd. 2a. FAILURE TO COMPLY. If any person fails or
 55 refuses to answer interrogatories, to produce materials, or to
 56 be examined under oath, as required by the provisions of
 57 subdivision 2, the attorney general may ~~give notice that he will~~
 58 apply to a district court, upon notice, and the court, on a
 59 showing by the attorney general of cause therefor, may issue
 60 such order as may be required to compel compliance with the
 61 discovery procedures authorized by this section.

62 Subd. 2b. ASSURANCE OF DISCONTINUANCE. The attorney
 63 general may accept an assurance of discontinuance of any act or
 64 practice ~~he~~ the attorney general deems to be in violation of the
 65 laws referred to in subdivision 1 from any person ~~he~~ the
 66 attorney general alleges is engaging in, or has engaged in, the
 67 act or practice. The assurance may include a stipulation for
 68 the performance, provision or payment by the alleged violator of
 69 any remedies allowable under subdivision 3a. Any assurance
 70 shall be in writing and shall be filed with and subject to the
 71 approval of the district court of the county in which the
 72 alleged violator resides or has ~~his~~ a principal place of
 73 business or in Ramsey county. An assurance shall not be
 74 considered an admission of a violation for any purpose. Failure
 75 to comply with the assurance of discontinuance shall be

1 punishable as contempt.

2 For the purposes of this subdivision the term "person" has
3 the meaning specified in section 325F.68.

4 Subd. 3. INJUNCTIVE RELIEF. In addition to the
5 penalties provided by law for violation of the laws referred to
6 in subdivision 1, specifically and generally, whether or not
7 injunctive relief is otherwise provided by law, the courts of
8 this state are vested with jurisdiction to prevent and restrain
9 violations of those laws and to require the payment of civil
10 penalties. ~~Whenever it shall appear to the satisfaction of the~~ *
11 ~~attorney general~~ On becoming satisfied that any of those laws *
12 has been or is being violated, or is about to be violated, ~~he~~ *
13 the attorney general shall be entitled, on behalf of the state; *
14 (a) to sue for and have injunctive relief in any court of
15 competent jurisdiction against any such violation or threatened
16 violation without abridging the penalties provided by law; and
17 (b) to sue for and recover for the state, from any person who is
18 found to have violated any of the laws referred to in
19 subdivision 1, a civil penalty, in an amount to be determined by
20 the court, not in excess of \$25,000. All sums recovered by the
21 attorney general under this section shall be deposited in the
22 general fund of the state treasury.

23 No change for subd 3a to 3b

008*#33S

24 8.33 REPRESENTATION OF CONSUMER INTEREST IN PUBLIC
25 UTILITY MATTERS.

26 Subdivision 1. DEFINITIONS. For the purposes of this
27 section, the following terms have the meanings given them:
28 (1) "Public utility" means a publicly or privately owned
29 entity engaged in supplying utility services to residential
30 utility consumers in this state or to another public utility for
31 ultimate distribution to residential utility consumers in this
32 state and whose rates or charges are subject to approval by the
33 public utilities commission or an agency of the federal
34 government. No municipal or cooperative utility shall be
35 considered a "public utility" for the purposes of this clause.

36 (2) "Residential utility consumer" or "consumer" means a
37 person who uses utility services at ~~his~~ the person's residence *
38 in this state and who is billed by or pays a public utility for
39 these services.

40 (3) "Utility services" means electricity, natural gas, or
41 telephone services distributed to residential utility consumers
42 by a public utility.

43 Subd. 2. DUTIES. The attorney general is responsible
44 for representing and furthering the interests of residential
45 utility consumers through participation in matters before the
46 public utilities commission involving utility rates and adequacy
47 of utility services to residential utility consumers. The
48 attorney general shall expend a reasonable portion of ~~his~~ *
49 ~~efforts~~ effort among all three kinds of utility services and *
50 shall identify and promote the needs of each class of
51 residential consumers with respect to each of the utility
52 services.

53 No change for subd 3

54 Subd. 4. NOTICE; PROCEDURES. The public utilities
55 commission shall give reasonable notice to the attorney general
56 of any matter scheduled to come before the commission affecting
57 a public utility's rates or adequacy of services to residential
58 utility consumers. Rules of the commission governing procedures
59 before the commission apply to the attorney general and ~~his~~ the *
60 attorney general's employees or representatives. The attorney *
61 general has the same rights and privileges accorded other
62 intervenors or participants in matters pending before the
63 commission.

64 No change for subd 5 to 7

009*#011S

65 9.011 MEMBERS; DUTIES, POWERS.

66 Subdivision 1. The executive council consists of the
67 governor, lieutenant governor, secretary of state, state
68 auditor, state treasurer, and attorney general. The governor is
69 chairman chair. *

70 Subd. 2. The executive council appoints, fixes the salary
71 of, and removes at pleasure an executive secretary. ~~He~~ The *
72 executive secretary shall perform such duties as are assigned to *
73 ~~him~~ by the executive council. *

74 No change for subd 3

009*#031S

1 9.031 DEPOSITORIES FOR STATE FUNDS.

2 No change for subd 1

3 Subd. 2. Except as provided in subdivision 3, a depository
4 shall furnish and file with the state treasurer a corporate
5 surety bond to secure state funds deposited with it. The
6 executive council shall approve the bond.

7 The executive council shall not approve any depository bond
8 until fully satisfied that the bond is in proper form, the
9 securities sufficient, the depository prosperous and financially
10 sound, and the capital stock claimed by it fully paid up and not
11 impaired. Each depository bond shall provide that during the
12 time the bond is in force the depository will pay all the state
13 funds deposited with it to the state treasurer, free of
14 exchange, at any place in the state designated by ~~him~~ the state *
15 treasurer. If the deposit is a time deposit it shall be paid, *
16 together with interest, only when due. At any time the
17 executive council or the state treasurer may require a new or
18 additional bond from any depository.

19 Subd. 3. In lieu of the corporate bond required in
20 subdivision 2, a depository may deposit with the state treasurer
21 collateral to secure state funds that are to be deposited with
22 it. The executive council must approve the collateral.

23 The executive council shall not approve any collateral
24 except:

25 (1) Bonds and certificates of indebtedness, other than
26 bonds secured by real estate, that are legal investments for
27 savings banks under any law of the state; and

28 (2) Bonds of any insular possession of the United States,
29 of any state, or of any agency of this state, the payment of the
30 principal and interest of which is provided for by other than
31 direct taxation.

32 The collateral deposited shall be accompanied by an
33 assignment thereof to the state, which assignment shall recite
34 that:

35 (1) The depository will pay all the state funds deposited
36 with it to the state treasurer, free of exchange or other
37 charge, at any place in this state designated by ~~him~~ the state *
38 treasurer; if the deposit is a time deposit it shall be paid, *
39 together with interest, only when due; and

40 (2) In case of default by the depository the state may sell
41 the collateral, or as much of it as is necessary to realize the
42 full amount due from the depository, and pay any surplus to the
43 depository or its assigns.

44 Upon the direction of the executive council, the treasurer,
45 on behalf of the state, may reassign in writing to the
46 depository any registered collateral pledged to the state by
47 assignment thereon.

48 A depository may deposit collateral of less value than the
49 total designation and may, at any time during the period of its
50 designation, deposit additional collateral, withdraw excess
51 collateral, and substitute other collateral for all or part of
52 that on deposit. Approval of the executive council is not
53 necessary for the withdrawal of excess collateral.

54 If the depository is not in default the treasurer shall pay
55 the interest collected on the deposited collateral to the
56 depository.

57 No change for subd 4 to 5

58 Subd. 6. The state treasurer may deposit in any qualified
59 depository, in the name of the state, state funds in ~~his~~ *
60 hands hand. *

61 No change for subd 7 to 12

009*#041S

62 9.041 SETTLEMENT OF CERTAIN CLAIMS AND CONTROVERSIES
63 WITH UNITED STATES.

64 No change for subd 1 to 3

65 Subd. 4. The state auditor shall expend from any fund
66 appropriated to maintain any department of ~~his~~ the auditor's *
67 office sums for clerk hire, travel, hotel bills, or other
68 expenses necessary to carry out this section. The state auditor
69 shall audit and the executive council shall approve these
70 expenditures. A per diem expenditure may be audited and
71 approved for these purposes.

010*#11S

72 10.11 COMPROMISE OF STATE CLAIMS.

73 Subdivision 1. Except as provided in subdivision 2 hereof,

1 when the strict enforcement by the state of a demand for money
 2 or other property against any person is deemed by the attorney
 3 general to be impracticable or inequitable, he the attorney *
 4 general may submit the same to the executive council for *
 5 compromise. The executive council shall consider the equities
 6 of the case, the situation and financial ability of the debtors,
 7 and the interests of the state and determine, in writing, upon
 8 what terms the demand in question should be settled as against
 9 all or any of the parties thereto. Thereupon the attorney
 10 general shall adjust the claim in accordance with such
 11 determination and shall execute, in behalf of the state, all
 12 papers necessary and proper to carry the compromise into effect
 13 and to release from such claim any and all parties thereto who
 14 shall seasonably comply with the conditions of the settlement so
 15 authorized.

16 Subd. 2. Notwithstanding any other provisions of law to
 17 the contrary, the attorney general shall have authority to
 18 compromise taxes, penalties, and interest in any case referred
 19 to him the attorney general, whether reduced to judgment or not, *
 20 where, in his the attorney general's opinion, it shall be in the *
 21 best interests of the state to do so. A compromise made
 22 hereunder shall be in such form as the attorney general shall
 23 prescribe and shall be in writing signed by the attorney
 24 general, the taxpayer or his taxpayer's representative, and the *
 25 commissioner of revenue.

010*#24S

26 10.24 DUPLICATE BONDS ISSUED.

27 When any bond, certificate of indebtedness, or other
 28 written obligation of the state, issued by the state or by any
 29 department, bureau, board, or other agency of the state
 30 government according to law, has been lost, destroyed, or
 31 stolen, a duplicate of such obligation, with unpaid interest
 32 coupons, if any, which were attached at the time of the loss,
 33 destruction, or theft, shall be issued to the owner, his the *
 34 owner's guardian, or the representative of his the owner's *
 35 estate, as hereinafter provided, upon the furnishing of
 36 satisfactory proof of ownership and of such loss, destruction,
 37 or theft to the authority empowered to approve indemnity bonds,
 38 as hereinafter provided, and upon the certification of the
 39 approval of such proof by such authority to the state treasurer.

010*#26S

40 10.26 DELIVERY OF DUPLICATES; BOND.

41 Such duplicate obligation when executed shall be delivered
 42 by the state treasurer to the owner of the original obligation,
 43 his the owner's guardian, or the representative of his the *
 44 owner's estate; provided, such owner, guardian, or *
 45 representative shall first file with the state treasurer a bond
 46 in the full amount of such obligation and unpaid interest to
 47 maturity, with sufficient sureties, approved by the same
 48 authority as state depository bonds, indemnifying the state
 49 against any loss thereon by reason of the existence of the
 50 original obligation or any coupon thereto attached, unless such
 51 bond is waived as hereinafter provided; and, provided, such
 52 owner, guardian, or representative shall furnish satisfactory
 53 proof to the state treasurer that such original obligation and
 54 coupons have not been found or presented for payment up to the
 55 time of such delivery; and, if any thereof have been found or
 56 presented, duplicates shall be delivered only of such as have
 57 not been found or presented. A record of the issuance and
 58 delivery of each duplicate obligation and attached coupons shall
 59 be made by the state treasurer and forthwith reported by him the *
 60 treasurer to the commissioner of finance, who shall also make a *
 61 record of the same. Such duplicate obligations and coupons,
 62 when issued and delivered as hereinbefore provided shall have
 63 the same force and effect as the originals.

010*#31S

64 10.31 MISAPPROPRIATION OF MONEY.

65 It is illegal for any official or head of any state
 66 department, or any employee thereof, to use moneys appropriated
 67 by law, or fees collected for any other purpose than the purpose
 68 for which the moneys have been appropriated, and any such act by
 69 any head of a department, or any state official, is cause for
 70 immediate removal of the official or head of a state department
 71 from the position ~~he holds~~ held with the government of this *
 72 state.

010*#32S

1 10.32 ADDITIONAL COMPENSATION FROM CONTINGENT FUND
2 PROHIBITED.

3 In all cases where the compensation of an officer of the
4 state is fixed by law at a specified sum, it shall be unlawful
5 for any such officer or employee to receive additional
6 compensation for the performance of ~~his~~ official services out of *
7 the contingent fund of the officer or the department, and it
8 shall be unlawful for the head of any department of the state
9 government to direct the payment of such additional compensation
10 out of the contingent fund; and the commissioner of finance is
11 hereby prohibited from issuing ~~his~~ a warrant upon such *
12 contingent fund in payment of such additional compensation.

13 Every person offending against the provisions of this
14 section shall be guilty of a misdemeanor.

010*#37S

15 10.37 HOLDING TWO APPOINTIVE OFFICES.

16 ~~In-filling~~ Any appointive state office which the law *
17 provides shall be filled by the governor ~~he may appoint to such~~ *
18 office may be held by a person already holding a state office *
19 and such person may hold both such offices and perform the
20 functions and duties thereof; but such person shall receive only
21 the salary by law provided for the office first held.

010A#01S

22 10A.01 DEFINITIONS.

23 No change for subd 1 to 3

24 Subd. 4. "Associated business ~~with which he is associated~~" *
25 means any association in connection with which the individual is
26 compensated in excess of \$50 except for actual and reasonable
27 expenses in any month as a director, officer, owner, member,
28 partner, employer or employee, or is a holder of securities
29 worth \$2,500 or more at fair market value.

30 Subd. 5. CANDIDATE. "Candidate" means an individual
31 who seeks nomination or election to any statewide or legislative
32 office for which reporting is not required under federal laws.
33 The term candidate shall also include an individual who seeks
34 nomination or election to supreme court, court of appeals,
35 district court, county court, probate court, or county municipal
36 court judgeships of the state. An individual shall be deemed to
37 seek nomination or election if ~~he~~ the individual has taken the *
38 action necessary under the law of the state of Minnesota to
39 qualify ~~himself~~ for nomination or election, has received *
40 contributions or made expenditures in excess of \$100, or has
41 given ~~his~~ implicit or explicit consent for any other person to *
42 receive contributions or make expenditures in excess of \$100,
43 for the purpose of bringing about ~~his~~ the individual's *
44 nomination or election. A candidate remains a candidate
45 until ~~his~~ the candidate's principal campaign committee is *
46 dissolved as provided in section 10A.24.

47 No change for subd 6

48 Subd. 7. "Contribution" means a transfer of funds or a
49 donation in kind.

50 Contribution includes any loan or advance of credit to a
51 political committee, political fund, or principal campaign
52 committee, which loan or advance of credit is (a) forgiven, or
53 (b) paid by an entity other than the political committee,
54 political fund, or principal campaign committee to which the
55 loan or advance of credit is made. If an advance of credit or a
56 loan is forgiven or paid as provided in this subdivision, it is
57 a contribution in the year in which the loan or advance of
58 credit is made.

59 A contribution made for the purpose of defeating a
60 candidate is considered made for the purpose of influencing the
61 nomination or election of that candidate or any opponent of that
62 candidate.

63 Contribution does not include services provided without
64 compensation by an individual volunteering ~~his~~ personal time on *
65 behalf of a candidate, ballot question, political committee or
66 political fund, or the publishing or broadcasting of news items
67 or editorial comments by the news media.

68 No change for subd 7a to 9

69 Subd. 10. "Campaign expenditure" or "expenditure" means a
70 purchase or payment of money or anything of value, or an advance
71 of credit, made or incurred for the purpose of influencing the
72 nomination or election of a candidate or for the purpose of
73 promoting or defeating a ballot question.

74 An expenditure is considered to be made in the year in

1 which the goods or services for which it was made are used or
2 consumed.

3 An expenditure made for the purpose of defeating a
4 candidate is considered made for the purpose of influencing the
5 nomination or election of that candidate or any opponent of that
6 candidate.

7 Except as provided in clause (a), expenditure includes the
8 dollar value of a donation in kind.

9 Expenditure does not include:

10 (a) Noncampaign disbursements as defined in subdivision 10c;

11 (b) Transfers as defined in subdivision 7a;

12 (c) Services provided without compensation by an individual
13 volunteering ~~his~~ personal time on behalf of a candidate, ballot
14 question, political committee, or political fund; or *

15 (d) The publishing or broadcasting of news items or
16 editorial comments by the news media.

17 Subd. 10a. "Approved expenditure" means an expenditure
18 made on behalf of a candidate by an entity other than the
19 principal campaign committee of that candidate, which
20 expenditure is made with the authorization or expressed or
21 implied consent of, or in cooperation or in concert with, or at
22 the request or suggestion of that candidate, ~~his~~ the candidate's
23 principal campaign committee or ~~his~~ the candidate's agent. An
24 approved expenditure is a contribution to that candidate. *

25 Subd. 10b. "Independent expenditure" means an expenditure
26 expressly advocating the election or defeat of a clearly
27 identified candidate, which expenditure is made without the
28 express or implied consent, authorization, or cooperation of ~~any~~
29 ~~candidate, his principal campaign committee or his agent,~~ and is
30 not made in concert with or at the request or suggestion of, ~~any~~
31 ~~candidate, his~~ or any candidate's principal campaign committee
32 or ~~his~~ agent. An independent expenditure is not a contribution. *

33 No change for subd 10c

34 Subd. 11. "Lobbyist" means any individual:

35 (a) Engaged for pay or other consideration, or authorized
36 by another individual or association to spend money, who spends
37 more than five hours in any month or more than \$250, not
38 including ~~his~~ the individual's own travel expenses and
39 membership dues, in any year, for the purpose of attempting to
40 influence legislative or administrative action by communicating
41 or urging others to communicate with public officials; or *

42 (b) Who spends more than \$250, not including ~~his~~ the
43 individual's own traveling expenses and membership dues, in any
44 year for the purpose of attempting to influence legislative or
45 administrative action by communicating or urging others to
46 communicate with public officials. *

47 "Lobbyist" does not include any:

48 (a) Public official or employee of the state or any of its
49 political subdivisions or public bodies acting in ~~his~~ an
50 official capacity; *

51 (b) Party or ~~his~~ the party's representative appearing in a
52 proceeding before a state board, commission or agency of the
53 executive branch unless the board, commission or agency is
54 taking administrative action; *

55 (c) Individual while engaged in selling goods or services
56 to be paid for by public funds;

57 (d) News media or their employees or agents while engaged
58 in the publishing or broadcasting of news items, editorial
59 comments or paid advertisements which directly or indirectly
60 urge official action;

61 (e) Paid expert witness whose testimony is requested by the
62 body before which ~~he~~ the witness is appearing, but only to the
63 extent of preparing or delivering testimony; *

64 (f) Stockholder of a family farm corporation as defined in
65 section 500.24, subdivision 1, who does not spend over \$250,
66 excluding ~~his~~ the stockholder's own travel expenses, in any year
67 in communicating with public officials; or *

68 (g) Party or ~~his~~ the party's representative appearing to
69 present a claim to the legislature and communicating to
70 legislators only by the filing of a claim form and supporting
71 documents and by appearing at public hearings on the claim. *

72 No change for subd 12 to 17

73 Subd. 18. "Public official" means any:

74 (a) member of the legislature;

75 (b) constitutional officer in the executive branch and ~~his~~
76 the officer's chief administrative deputy; *

- 1 (c) member, chief administrative officer or deputy chief
 2 administrative officer of a state board or commission which has
 3 at least one of the following powers: (i) the power to adopt,
 4 amend or repeal rules, or (ii) the power to adjudicate contested
 5 cases or appeals;
- 6 (d) commissioner, deputy commissioner or assistant
 7 commissioner of any state department as designated pursuant to
 8 section 15.01;
- 9 (e) individual employed in the executive branch who is
 10 authorized to adopt, amend or repeal rules or adjudicate
 11 contested cases;
- 12 (f) executive director of the state board of investment;
- 13 (g) executive director of the Indian affairs intertribal
 14 board;
- 15 (h) commissioner of the iron range resources and
 16 rehabilitation board;
- 17 (i) director of mediation services;
- 18 (j) deputy of any official listed in clauses (e) to (i);
- 19 (k) judge of the workers' compensation court of appeals;
- 20 (l) administrative law judge or compensation judge in the
 21 state office of administrative hearings or hearing examiner in
 22 the department of economic security;
- 23 (m) solicitor general or deputy, assistant or special
 24 assistant attorney general;
- 25 (n) individual employed by the legislature as secretary of
 26 the senate, legislative auditor, chief clerk of the house,
 27 revisor of statutes, or researcher or attorney in the office of
 28 senate research, senate counsel, or house research; or
- 29 (o) member or chief administrative officer of the
 30 metropolitan council, regional transit board, metropolitan
 31 transit commission, metropolitan waste control commission,
 32 metropolitan parks and open spaces commission, metropolitan
 33 airports commission or metropolitan sports facilities commission.
- 34 No change for subd 19 to 23

010A#02S

35 10A.02 BOARD OF ETHICAL PRACTICES.

36 Subdivision 1. There is hereby created a state ethical
 37 practices board composed of six members. The members shall be
 38 appointed by the governor with the advice and consent of
 39 three-fifths of both the senate and the house of representatives
 40 acting separately. If either house fails to confirm the
 41 appointment of a board member within 45 legislative days after
 42 his appointment, or by adjournment sine die, whichever occurs *
 43 first, the appointment shall terminate on the day following the
 44 45th legislative day or on adjournment sine die, whichever
 45 occurs first. If either house votes not to confirm an
 46 appointment, the appointment terminates on the day following the
 47 vote not to confirm. One member shall be a former member of the
 48 legislature from a major political party different from that of
 49 the governor; one member shall be a former member of the
 50 legislature from the same political party as the governor; two
 51 members shall be persons who have not been public officials,
 52 held any political party office other than precinct delegate, or
 53 been elected to public office for which party designation is
 54 required by statute in the three years preceding the date of
 55 their appointment; and the other two members shall not support
 56 the same political party. No more than three of the members of
 57 the board shall support the same political party.

58 No change for subd 2 to 3

59 Subd. 4. The board shall elect from among its members a
 60 chairman chair, a vice-chairman vice-chair and a secretary. The *
 61 secretary shall keep a record of all proceedings and actions by
 62 the board. Meetings of the board shall be at the call of
 63 the chairman chair or at the call of any four members of the *
 64 board acting together.

65 Subd. 5. The board shall appoint an executive director who
 66 shall be in the unclassified service. The board may also employ
 67 and prescribe the duties of other permanent or temporary
 68 employees in the unclassified service as may be necessary to
 69 administer sections 10A.01 to 10A.34, subject to appropriation.
 70 The executive director and all other employees shall serve at
 71 the pleasure of the board. Expenses of the board shall be
 72 approved by the chairman chair or such other member as the rules *
 73 of the board may provide and the expenses shall then be paid in
 74 the same manner as other state expenses are paid.

75 Subd. 6. Repealed, 1976 c 134 s 79

1 No change for subd 7 to 8

2 Subd. 9. The executive director of the board or ~~his~~ the *
 3 director's staff shall inspect all material filed with the board *
 4 as promptly as is necessary to comply with the provisions of
 5 sections 10A.01 to 10A.34. The executive director shall
 6 immediately notify the individual required to file a document
 7 with the board if a written complaint is filed with the board by
 8 any registered voter alleging, or it otherwise appears, that a
 9 document filed with the board is inaccurate or does not comply
 10 with the provisions of sections 10A.01 to 10A.34, or that the
 11 individual has failed to file a document required by sections
 12 10A.01 to 10A.34.

13 No change for subd 10

14 Subd. 11. The board may investigate any alleged violation
 15 of this chapter. The board shall investigate any violation
 16 which is alleged in a written complaint filed with the board
 17 and, except for alleged violations of section 10A.25 or 10A.27,
 18 shall within 30 days after the filing of the complaint make a
 19 public finding of whether or not there is probable cause to
 20 believe a violation has occurred. In the case of a written
 21 complaint alleging a violation of section 10A.25 or 10A.27, the
 22 board shall either enter a conciliation agreement or make a
 23 public finding of whether or not there is probable cause, within
 24 60 days of the filing of the complaint. The deadline for action
 25 on any written complaint may be extended by majority vote of the
 26 board. Within a reasonable time after beginning an investigation
 27 of an individual or association, the board shall notify that
 28 individual or association of the fact of the investigation. The
 29 board shall make no finding of whether or not there is probable
 30 cause to believe a violation has occurred without notifying the
 31 individual or association of the nature of the allegations and
 32 affording an opportunity to answer those allegations. Any
 33 hearing or action of the board concerning any complaint or
 34 investigation other than a finding concerning probable cause or
 35 a conciliation agreement shall be confidential. Until the board
 36 makes a public finding concerning probable cause or enters a
 37 conciliation agreement:

38 (a) No member, employee or agent of the board shall
 39 disclose to any individual any information obtained by that
 40 member, employee or agent concerning any complaint or
 41 investigation except as required to carry out the investigation
 42 or take action in the matter as authorized by this chapter;

43 (b) No individual who files or is the subject of any
 44 written complaint or supplies information to the board
 45 concerning a complaint or investigation shall disclose to any
 46 other individual any information supplied to or received from
 47 the board concerning the complaint or investigation; and

48 (c) Notwithstanding the provisions of clause (b), any
 49 individual subject to the provisions of that clause may reveal
 50 any information to ~~his~~ the individual's attorney or another *
 51 individual from whom ~~he seeks~~ advice or guidance is sought *
 52 in the matter, or to any other individual who is subject to the
 53 provisions of clause (b) with respect to the same complaint or
 54 investigation; provided that any individual to whom information
 55 concerning a complaint or investigation is revealed as provided
 56 in this clause shall not disclose that information to any other
 57 individual. Any individual who discloses information contrary
 58 to the provisions of this subdivision shall be guilty of a
 59 misdemeanor. Except as provided in section 10A.28, after the
 60 board makes a public finding of probable cause the board shall
 61 report that finding to the appropriate law enforcement
 62 authorities.

63 No change for subd 11a

64 Subd. 12. The board may issue and publish advisory
 65 opinions on the requirements of sections 10A.01 to 10A.34 based
 66 upon real or hypothetical situations. An application for an
 67 advisory opinion may be made only by an individual or
 68 association who wishes to use the opinion to guide ~~his or its~~ *
 69 the individual's or the association's own conduct. The board *
 70 shall issue written opinions on all such questions submitted to
 71 it within 30 days after receipt of written application, unless a
 72 majority of the board agrees to extend the time limit. An
 73 advisory opinion shall lapse the day the regular session of the
 74 legislature adjourns in the second year following the date of
 75 the opinion.

76 No change for subd 13

010A#03S

1 10A.03 LOBBYIST REGISTRATION.

2 Subdivision 1. Each lobbyist shall file a registration
3 form with the board within five days after ~~he-becomes~~ becoming a *
4 lobbyist.

5 No change for subd 2

6 Subd. 3. The board shall notify by certified mail or
7 personal service any lobbyist who fails to file a registration
8 form within five days after ~~he-becomes~~ becoming a lobbyist. If *
9 a lobbyist fails to file a form within seven days after
10 receiving this notice, the board may impose a late filing fee at
11 \$5 per day, not to exceed \$100, commencing with the eighth day
12 after receiving notice. The board shall further notify by
13 certified mail or personal service any lobbyist who fails to
14 file a form within 21 days of receiving a first notice that the
15 lobbyist may be subject to a criminal penalty for failure to
16 file the form. A lobbyist who knowingly fails to file a form
17 within seven days after receiving a second notice from the board
18 is guilty of a misdemeanor.

010A#04S

19 10A.04 LOBBYIST REPORTS.

20 Subdivision 1. Each lobbyist shall file reports of ~~his~~ the *
21 lobbyist's activities with the board as long as ~~he-lobbies~~ the *
22 lobbyist continues to lobby. A lobbyist may file a termination *
23 statement at any time after ~~he-ceases-lobbying~~ ceasing to lobby. *

24 No change for subd 2 to 5

010A#07S

25 10A.07 CONFLICTS OF INTEREST.

26 Subdivision 1. Any public official who in the discharge of
27 ~~his~~ official duties would be required to take an action or make *
28 a decision which would substantially affect ~~his~~ the official's *
29 financial interests or those of ~~a~~ an associated business with *
30 ~~which-he-is-associated~~, unless the effect on ~~him~~ the official is *
31 no greater than on other members of ~~his~~ the official's business *
32 classification, profession or occupation, shall take the *
33 following actions:

34 (a) ~~He-shall~~ prepare a written statement describing the *
35 matter requiring action or decision and the nature of ~~his~~ the *
36 potential conflict of interest;

37 (b) ~~He-shall~~ deliver copies of the statement to the board *
38 and to ~~his~~ the official's immediate superior, if any; and *

39 (c) if ~~he-is~~ a member of the legislature, ~~he-shall~~ deliver *
40 a copy of the statement to the presiding officer of the house in *
41 ~~which-he-serves~~ and of service.

42 (d) If a potential conflict of interest presents itself and *
43 there is insufficient time to comply with the provisions of
44 clauses (a) to (c), the public official shall verbally inform *
45 ~~his~~ the superior or the official body ~~in-which-he-serves~~ of *
46 service, or committee thereof, of the potential conflict. He *
47 The official shall file a written statement with the board *
48 within one week after the potential conflict presents itself.

49 Subd. 2. If the public official is not a member of the *
50 legislature, ~~his~~ the superior shall assign the matter, if *
51 possible, to another employee who does not have a potential
52 conflict of interest. If ~~he-has~~ there is no immediate superior, *
53 the public official shall ~~remove-himself~~ abstain, if possible, *
54 in a manner prescribed by the board from influence over the
55 action or decision in question. If the public official is a *
56 member of the legislature, the house ~~in-which-he-serves~~ of *
57 service may, at ~~his~~ the member's request, excuse ~~him~~ the *
58 member from taking part in the action or decision in question. *

010A#08S

59 10A.08 REPRESENTATION DISCLOSURE.

60 Any public official who represents a client for a fee
61 before any individual, board, commission or agency that has rule
62 making authority in a hearing conducted under chapter 14, shall
63 disclose ~~his~~ the official's participation in the action to the *
64 board within 14 days after ~~his~~ the appearance. The board shall *
65 notify by certified mail or personal service any public official
66 who fails to disclose ~~his~~ the participation within 14 days after *
67 ~~his~~ the appearance. If the public official fails to *
68 disclose ~~his~~ the participation within seven days of this notice, *
69 the board may impose a late filing fee of \$5 per day, not to
70 exceed \$100, commencing on the eighth day after receiving notice.

010A#09S

71 10A.09 STATEMENTS OF ECONOMIC INTEREST.

1 Subdivision 1. TIME FOR FILING. Except for a
2 candidate for elective office in the judicial branch, an
3 individual shall file a statement of economic interest with the
4 board:

5 (a) Within 60 days of accepting employment as a public
6 official;

7 (b) Within 14 days after filing an affidavit of candidacy
8 or petition to appear on the ballot for an elective public
9 office;

10 (c) In the case of a public official requiring the advice
11 and consent of the senate, within 14 days after ~~he undertakes~~ *
12 undertaking the duties of ~~his~~ office; or *

13 (d) In the case of members of the Minnesota racing
14 commission, and its executive secretary, chief of security,
15 medical officer, inspector of pari-mutuels and stewards employed
16 or approved by the commission or persons who fulfill those
17 duties under contract, within 60 days of accepting or assuming
18 duties.

19 No change for subd 2 to 3

20 Subd. 5. FORM. A statement of economic interest
21 required by this section shall be on a form prescribed by the
22 board. The individual filing shall provide the following
23 information:

24 (a) ~~His~~ Name, address, occupation and principal place of *
25 business;

26 (b) The name of each associated business ~~with-which-he-is~~ *
27 ~~associated~~ and the nature of that association; *

28 (c) A listing of all real property within the state,
29 excluding homestead property, in which ~~he~~ the individual holds: *

30 (i) a fee simple interest, a mortgage, a contract for deed as
31 buyer or seller, or an option to buy, whether direct or
32 indirect, and which interest is valued in excess of \$2,500; or
33 (ii) an option to buy, which property has a fair market value of
34 \$50,000 or more;

35 (d) A listing of all real property within the state in
36 which a partnership of which ~~he~~ the individual is a member holds: *

37 (i) a fee simple interest, a mortgage, a contract for deed as
38 buyer or seller, or an option to buy, whether direct or
39 indirect, if ~~his~~ the individual's share of the partnership *
40 interest is valued in excess of \$2,500 or (ii) an option to buy,
41 which property has a fair market value of \$50,000 or more. Any
42 listing under clause (c) or (d) shall indicate the street
43 address and the municipality or the section, township, range and
44 approximate acreage, whichever applies, and the county wherein
45 the property is located; and

46 (e) A listing of any investments, ownership, or interests
47 in property connected with pari-mutuel horse racing in the
48 United States and Canada, including a race horse, in which ~~he~~ *
49 the individual directly or indirectly holds a partial or full *
50 interest or an immediate family member holds a partial or full
51 interest.

52 Subd. 6. Each individual who is required to file a
53 statement of economic interest shall file a supplementary
54 statement on April 15 of each year that ~~he~~ the individual *
55 remains in office. The statement shall include a space for each
56 category of information in which the individual may indicate
57 that no change in information has occurred since the previous
58 statement. The supplementary statement shall include the amount
59 of each honorarium in excess of \$50 received since the previous
60 statement, together with the name and address of the source of
61 the honorarium. A statement of economic interest submitted by
62 an officeholder shall be filed with the statement ~~he~~ submitted *
63 as a candidate. *

64 No change for subd 7 to 8

010A#10S

65 10A.10 PENALTY FOR FALSE STATEMENTS.

66 A report or statement required to be filed by sections
67 10A.02 to 10A.09 shall be signed and certified as true by the
68 individual required to file the report. Any individual who
69 signs and certifies to be true a report or statement ~~which-he~~ *
70 ~~knows knowing it~~ contains false information or who knowingly *
71 omits required information is guilty of a gross misdemeanor.

010A#11S

72 10A.11 ORGANIZATION OF POLITICAL COMMITTEES.

73 Subdivision 1. Every political committee shall have a
74 chairman chair and a treasurer. Nothing in this chapter shall *

1 prohibit them from being the same individual.

2 No change for subd 2 to 7

010A#14S

3 10A.14 REGISTRATION OF POLITICAL COMMITTEES AND
4 POLITICAL FUNDS.

5 No change for subd 1

6 Subd. 2. The statement of organization shall include:

7 (a) The name and address of the political committee or
8 political fund;

9 (b) The name and address of any supporting association of a
10 political fund;

11 (c) The name and address of the ~~chairman~~ chair, the *
12 treasurer, and any deputy treasurers;

13 (d) A listing of all depositories or safety deposit boxes
14 used;

15 (e) A statement as to whether the committee is a principal
16 campaign committee; and

17 (f) For political parties only, a list of categories of
18 substate units as defined in section 10A.27, subdivision 4.

19 Subd. 3. Repealed, 1976 c 307 s 35

20 No change for subd 4

010A#17S

21 10A.17 EXPENDITURES.

22 No change for subd 1

23 Subd. 2. No individual or association may make an approved
24 expenditure of more than \$20 ~~until he receives~~ without receiving *
25 written authorization as to the amount that may be spent and the
26 purpose of the expenditure from the treasurer of the principal
27 campaign committee of the candidate who approved the expenditure.

28 No change for subd 3

29 Subd. 4. Any individual, political committee, or political
30 fund who independently solicits or accepts contributions or
31 makes independent expenditures on behalf of any candidate shall
32 publicly disclose that the candidate has not approved the
33 expenditure. All written communications with those from whom
34 contributions are independently solicited or accepted or to whom
35 independent expenditures are made on behalf of a candidate,
36 shall contain a statement in conspicuous type that the activity
37 is not approved by the candidate nor is ~~he~~ the candidate *
38 responsible for it. Similar language shall be included in all
39 oral communications, in conspicuous type on the front page of
40 all literature and advertisements published or posted, and at
41 the end of all broadcast advertisements made by that individual,
42 political committee or political fund on the candidate's behalf.

43 No change for subd 5

010A#19S

44 10A.19 PRINCIPAL CAMPAIGN COMMITTEE.

45 Subdivision 1. No candidate shall accept contributions
46 from any source, other than ~~himself~~ self, in aggregate in excess *
47 of \$100 or any moneys from the state elections campaign fund *
48 unless ~~he~~ the candidate designates and causes to be formed a
49 single principal campaign committee.

50 Subd. 2. A candidate may at any time without cause remove
51 and replace the ~~chairman~~ chair, treasurer, deputy treasurer or *
52 any other officer of the candidate's principal campaign
53 committee.

010A#20S

54 10A.20 CAMPAIGN REPORTS.

55 No change for subd 1 to 6

56 Subd. 6a. Any individual, political committee or political
57 fund filing a report or statement disclosing any independent
58 expenditure pursuant to subdivision 3 or 6 shall file with that
59 report a sworn statement that the expenditures so disclosed were
60 not made with the authorization or expressed or implied consent
61 of, or in cooperation or in concert with, or at the request or
62 suggestion of any candidate, ~~his~~ any candidate's principal *
63 campaign committee or ~~his~~ agent. *

64 No change for subd 7

65 Subd. 8. The board shall exempt any member of or
66 contributor to any association, political committee or political
67 fund or any other individual from the provisions of this section
68 if the member, contributor or other individual demonstrates by
69 clear and convincing evidence that disclosure would expose ~~him~~ *
70 the member or contributor to economic reprisals, loss of *
71 employment or threat of physical coercion.

72 An association, political committee or political fund may

1 seek an exemption for all of its members or contributors if it
 2 demonstrates by clear and convincing evidence that a substantial
 3 number of its members or contributors would suffer a restrictive
 4 effect on their freedom of association if members were required
 5 to seek exemptions individually.

6 Subd. 9. Repealed, 1978 c 463 s 109

7 Subd. 10. Any individual, association, political committee
 8 or political fund seeking an exemption pursuant to subdivision 8
 9 shall submit a written application for exemption to the board.
 10 The board, without hearing, shall grant or deny the exemption
 11 within 30 days after receiving an application, and shall issue a
 12 written order stating the reasons for its action. The board
 13 shall publish its order in the state register and give notice to
 14 all parties known to the board to have an interest in the
 15 matter. If the board receives a written objection to its action
 16 from any party within 20 days after publication of its order and
 17 notification of interested parties, the board shall hold a
 18 contested case hearing on the matter. Upon the filing of a
 19 timely objection from the applicant, an order denying an
 20 exemption shall be suspended pending the outcome of the
 21 contested case. If no timely objection is received the
 22 exemption shall continue to be in effect until a written
 23 objection is filed with the board in a succeeding election
 24 year. The board by rule shall establish a procedure so that any
 25 individual seeking an exemption may proceed anonymously if he
 26 the individual would be exposed to the reprisals listed in
 27 subdivision 8 were-he-to-reveal-his if the individual's identity
 28 were to be revealed for the purposes of a hearing.

*
*
*
*

29 No change for subd 11 to 12

010A#22S

30 10A.22 REPORTS AND STATEMENTS.

31 Subdivision 1. A report or statement required by sections
 32 10A.11 to 10A.34 to be filed by a treasurer of a political
 33 committee or political fund, or by any other individual, shall
 34 be signed and certified as true by the individual required to
 35 file the report. Any individual who signs and certifies to be
 36 true a report or statement which-he-knows knowing it contains
 37 false information or who knowingly omits required information is
 38 guilty of a gross misdemeanor.

*

39 Subd. 2. Repealed, 1976 c 307 s 35

40 Subd. 3. Repealed, 1978 c 463 s 109

41 No change for subd 4 to 5

42 Subd. 6. Each person required to file any report or
 43 statement shall maintain records on the matters required to be
 44 reported, including vouchers, cancelled checks, bills, invoices,
 45 worksheets, and receipts, which will provide in sufficient
 46 detail the necessary information from which the filed reports
 47 and statements may be verified, explained, clarified and checked
 48 for accuracy and completeness, ~~and he.~~ The person shall keep
 49 the records available for audit, inspection, or examination by
 50 the board or its authorized representatives for four years from
 51 the date of filing of the reports or statements or of changes or
 52 corrections thereto. Any person who knowingly violates any
 53 provisions of this subdivision is guilty of a misdemeanor.

*

54 No change for subd 7

010A#25S

55 10A.25 LIMITS ON CAMPAIGN EXPENDITURES.

56 No change for subd 1 to 4

57 Subd. 5. Notwithstanding the limits imposed by subdivision
 58 2, the winning candidate in a contested race in a primary who
 59 receives less than twice as many votes as any one of ~~his~~ the
 60 candidate's opponents in that primary may make aggregate
 61 expenditures and approved expenditures equal to 120 percent of
 62 the applicable amount as set forth in subdivision 2.

*
*

63 No change for subd 6 to 10

010A#27S

64 10A.27 ADDITIONAL LIMITATIONS.

65 Subdivision 1. Except as provided in subdivisions 2 and 6,
 66 no candidate shall permit ~~his~~ the candidate's principal campaign
 67 committee to accept contributions from any individual, political
 68 committee, or political fund in excess of the following:

*

69 (a) To candidates for governor and lieutenant governor
 70 running together, \$60,000 in an election year for the office
 71 sought and \$12,000 in other years;

72 (b) To a candidate for attorney general, \$10,000 in an
 73 election year for the office sought and \$2,000 in other years;

1 (c) To a candidate for the office of secretary of state,
2 state treasurer or state auditor, \$5,000 in an election year for
3 the office sought and \$1,000 in other years;

4 (d) To a candidate for state senator, \$1,500 in an election
5 year for the office sought and \$300 in other years; and

6 (e) To a candidate for state representative, \$750 in an
7 election year for the office sought and \$150 in the other year.

8 Subd. 2. No candidate shall permit ~~his~~ the candidate's
9 principal campaign committee to accept contributions from any
10 political party in excess of five times the amount that may be
11 contributed to that candidate by a political committee as set
12 forth in subdivision 1. *

13 Subd. 3. Repealed, 1978 c 463 s 109

14 No change for subd 4 to 5

15 Subd. 6. Nothing in this section shall be construed as
16 limiting the amount which may be contributed by a candidate for
17 the purpose of influencing ~~his~~ the candidate's own nomination or
18 election. *

19 No change for subd 7

20 Subd. 8. No candidate shall permit ~~his~~ the candidate's
21 principal campaign committee to accept a loan from other than a
22 financial institution for an amount in excess of the
23 contribution limits imposed by this section. No candidate shall
24 permit ~~his~~ the candidate's principal campaign committee to
25 accept any loan from a financial institution for which that
26 financial institution may hold any endorser of that loan liable
27 to pay any amount in excess of the amount that the endorser may
28 contribute to that candidate. *

010A#28S

29 10A.28 PENALTY FOR EXCEEDING LIMITS.

30 Subdivision 1. A candidate subject to the expenditure
31 limits of section 10A.25 who permits ~~his~~ the candidate's
32 principal campaign committee to make expenditures or permits
33 approved expenditures to be made on ~~his~~ the candidate's behalf
34 in excess of the limits imposed by section 10A.25 shall be
35 subject to a civil fine up to four times the amount which the
36 expenditures exceeded the limit. *

37 Subd. 2. A candidate who permits ~~his~~ the candidate's
38 principal campaign committee to accept contributions in excess
39 of the limits imposed by section 10A.27 shall be subject to a
40 civil fine of up to four times the amount by which the
41 contribution exceeded the limits. *

42 No change for subd 3 to 4

010A#31S

43 10A.31 DESIGNATION OF INCOME TAX PAYMENTS.

44 No change for subd 1 to 2

45 Subd. 3. The commissioner of the department of revenue
46 shall provide on the first page of the income tax form and the
47 renter and homeowner property tax refund return a space for the
48 individual to indicate ~~whether-he-wishes~~ a wish to allocate \$2
49 (\$4 if filing a joint return) from the general fund of the state
50 to finance the election campaigns of state candidates. The form
51 shall also contain language prepared by the commissioner which
52 permits the individual to direct the state to allocate the \$2
53 (or \$4 if filing a joint return) to: (i) one of the major
54 political parties; (ii) any minor political party as defined in
55 section 10A.01, subdivision 13, which qualifies under the
56 provisions of subdivision 3a; or (iii) all qualifying candidates
57 as provided by subdivision 7. The renter and homeowner property
58 tax refund return shall include instructions that the individual
59 filing the return may designate \$2 on the return only if ~~he~~ the
60 individual has not designated \$2 on the income tax return. *

61 No change for subd 3a to 4

62 Subd. 5. In each calendar year the moneys in each party
63 account and the general account shall be allocated to candidates
64 as follows: -

65 (1) 21 percent for the offices of governor and lieutenant
66 governor together;

67 (2) 3.6 percent for the office of attorney general;

68 (3) 1.8 percent each for the offices of secretary of state,
69 state auditor and state treasurer;

70 (4) In each calendar year during the period in which state
71 senators serve a four year term, 23-1/3 percent for the office
72 of state senator and 46-2/3 percent for the office of state
73 representative;

74 (5) In each calendar year during the period in which state

1 senators serve a two year term, 35 percent each for the offices
2 of state senator and state representative;

3 (6) To assure that moneys will be returned to the counties
4 from which they were collected, and to assure that the
5 distribution of those moneys rationally relates to the support
6 for particular parties or for particular candidates within
7 legislative districts, moneys from the party accounts for
8 legislative candidates shall be distributed as follows:

9 Each candidate for the state senate and state house of
10 representatives whose name is to appear on the ballot in the
11 general election shall receive moneys from ~~his~~ the candidate's *
12 party account set aside for candidates of the state senate or
13 state house of representatives, whichever applies, according to
14 the following formula;

15 For each county within ~~his~~ the candidate's district the *
16 candidate's share of the dollars allocated in that county to ~~his~~ *
17 the candidate's party account and set aside for that office *
18 shall be:

19 (a) The sum of the votes cast in the last general election
20 in that part of the county in ~~his~~ the candidate's district for *
21 all candidates of ~~his~~ that candidate's party (i) whose names *
22 appeared on the ballot in each voting precinct of the state and
23 (ii) for the state senate and state house of representatives,
24 divided by

25 (b) The sum of the votes cast in that county in the last
26 general election for all candidates of ~~his~~ that candidate's *
27 party (i) whose names appeared on the ballot in each voting
28 precinct in the state and (ii) for the state senate and state
29 house of representatives, multiplied by

30 (c) The amount in ~~his~~ the candidate's party account *
31 allocated in that county and set aside for the candidates for
32 the office for which ~~he-is-a~~ the candidate is running. *

33 The sum of all the county shares calculated in the formula
34 above is the candidate's share of ~~his~~ the candidate's party *
35 account.

36 In a year in which an election for the state senate occurs,
37 with respect to votes for candidates for the state senate only,
38 "last general election" means the last general election in which
39 an election for the state senate occurred.

40 For any party under whose name no candidate's name appeared
41 on the ballot in each voting precinct in the state in the last
42 general election, amounts in the party's account shall be
43 allocated based on (a) the number of people voting in the last
44 general election in that part of the county in ~~his~~ the *
45 candidate's district, divided by (b) the number of the people *
46 voting in that county in the last general election, multiplied
47 by (c) the amount in ~~his~~ the candidate's party account allocated *
48 in that county and set aside for the candidates for the office *
49 for which ~~he-is-a~~ the candidate is running.

50 In a year in which the first election after a legislative
51 reapportionment is held, "~~his~~ the candidate's district" means *
52 the newly drawn district, and voting data from the last general
53 election will be applied to the area encompassing the newly
54 drawn district notwithstanding that the area was in a different
55 district in the last general election.

56 If in a district there was no candidate of a party for the
57 state senate or state house of representatives in the last
58 general election, or if a candidate for the state senate or
59 state house of representatives was unopposed, the vote for that
60 office for that party shall be the average vote of all the
61 remaining candidates of that party in each county of that
62 district whose votes are included in the sums in clauses (a) and
63 (b). The average vote shall be added to the sums in clauses (a)
64 and (b) before the calculation is made for all districts in the
65 county.

66 Money from a party account not distributed to candidates
67 for state senator and representative in any election year shall
68 be returned to the general fund of the state. Money from a
69 party account not distributed to candidates for other offices in
70 an election year shall be returned to the party account for
71 reallocation to candidates as provided in clauses (1) to (6) of
72 this subdivision in the following year. Moneys from the general
73 account refused by any candidate shall be distributed to all
74 other qualifying candidates in proportion to their shares as
75 provided in this subdivision.

76 No change for subd 6 to 7

1 Subd. 8. Within one week after certification by the state
 2 canvassing board of the results of the primary, the board shall
 3 certify to the state treasurer the name of each candidate who
 4 has signed the agreement as provided in section 10A.32,
 5 subdivision 3, and the amount ~~he~~ the candidate is to receive *
 6 from the available funds in ~~his~~ the candidate's party account. *

7 Subd. 9. Within one week after certification by the state
 8 canvassing board of the results of the general election, the
 9 board shall certify to the state treasurer the name of each
 10 candidate who is qualified to receive funds from the general
 11 account, together with the amount ~~he~~ the candidate is to receive *
 12 from the available funds in the general account. *

13 No change for subd 10

14 Subd. 11. For the purposes of this section, a write-in
 15 candidate is ~~not~~ a candidate ~~unless-he-complies~~ only upon *
 16 complying with the provisions of section 10A.32, subdivision 3. *

010A#32S

17 10A.32 LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.

18 Subdivision 1. No candidate shall be entitled to receive
 19 from the state elections campaign fund and retain an amount
 20 greater than the aggregate amount of expenditures which may be
 21 made by ~~him~~ the candidate and approved expenditures made on ~~his~~ *
 22 the candidate's behalf under section 10A.25, subdivision 2. The *
 23 amount by which the allocation exceeds the expenditure limit
 24 shall be returned to the general fund of the state.

25 Subd. 2. No candidate shall be entitled to receive from
 26 the state elections campaign fund an amount greater than the
 27 aggregate amount of expenditures made by ~~him~~ the candidate and *
 28 approved expenditures made on ~~his~~ the candidate's behalf in the *
 29 year of the election. If the report required to be filed on or
 30 before January 31 in the year following the general election
 31 indicates that the amount received by the candidate from the
 32 state elections campaign fund is greater than the amount
 33 expended on ~~his~~ the candidate's behalf, the treasurer of ~~his~~ the *
 34 candidate's principal campaign committee shall return to the *
 35 state treasurer an amount equal to the difference. The return
 36 in the form of a check or money order shall be submitted with
 37 such report and the board shall forward the return to the state
 38 treasurer for deposit in the general fund of the state.

39 Subd. 3. As a condition of receiving any money from the
 40 state elections campaign fund, a candidate shall agree by
 41 stating in writing to the board that (a) ~~his~~ the candidate's *
 42 expenditures and approved expenditures shall not exceed the *
 43 expenditure limits as set forth in section 10A.25 and that *
 44 (b) ~~he~~ the candidate shall not accept contributions or allow *
 45 approved expenditures to be made on ~~his~~ the candidate's behalf *
 46 for the period beginning with January 1 of the election year or *
 47 with the registration of ~~his~~ the candidate's principal campaign *
 48 committee, whichever occurs later, and ending December 31 of the *
 49 election year, which aggregate contributions and approved *
 50 expenditures exceed the difference between the amount which may *
 51 legally be expended by ~~him-or-on-his-behalf~~ or for the *
 52 candidate, and the amount which ~~he~~ the candidate receives from *
 53 the state elections campaign fund. The agreement, insofar as it *
 54 relates to the expenditure limits set forth in section 10A.25,
 55 remains effective until the dissolution of the principal
 56 campaign committee of the candidate or the opening of filings
 57 for the next succeeding election to the office held or sought at
 58 the time of agreement, whichever occurs first. Money in the
 59 account of the principal campaign committee of a candidate on
 60 January 1 of the election year for the office held or sought
 61 shall be considered contributions accepted by that candidate in
 62 that year for the purposes of this subdivision. That amount of
 63 all contributions accepted by a candidate in an election year
 64 which equals the amount of noncampaign disbursements and
 65 contributions and expenditures to promote or defeat a ballot
 66 question which are made by that candidate in that year shall not
 67 count toward the aggregate contributions and approved
 68 expenditure limit imposed by this subdivision. Any amount by
 69 which ~~his~~ the aggregate contributions and approved expenditures *
 70 agreed to under clause (b) exceed the difference shall be *
 71 returned to the state treasurer in the manner provided in
 72 subdivision 2. In no case shall the amount returned exceed the
 73 amount received from the state elections campaign fund.

74 The candidate may submit ~~his~~ the signed agreement to the *
 75 filing officer on the day ~~he-files-his~~ of filing the affidavit *

1 of candidacy or petition to appear on the ballot, or ~~he may~~ *
2 ~~submit the agreement~~ to the board no later than September 1. *

3 The board prior to the first day of filing for office shall *
4 forward forms for the agreement to all filing officers. The *
5 filing officer shall without delay forward signed agreements to *
6 the board. An agreement may not be rescinded after September 1. *

7 For the purposes of this subdivision only, the total amount *
8 to be distributed to each candidate is calculated to be ~~his~~ the *
9 candidate's share of the total estimated funds in ~~his~~ the *
10 candidate's party account as provided in subdivision 3a, plus *
11 the total amount estimated as provided in subdivision 3a to be *
12 in the general account of the state elections campaign fund and *
13 set aside for that office divided by the number of candidates *
14 whose names are to appear on the general election ballot for *
15 that office. If for any reason the amount actually received by *
16 the candidate is greater than ~~his~~ the candidate's share of the *
17 estimate, and ~~his~~ the contributions thereby exceed the *
18 difference, the agreement shall not be considered violated. *

19 Subd. 3a. The commissioner of revenue shall, on the basis *
20 of vote totals provided by the secretary of state, calculate and *
21 certify to the board before the first day of July in an election *
22 year ~~his~~ an estimate, after 100 percent of the tax returns have *
23 been processed, of the total amount in the general account, and *
24 the amount of moneys each candidate who qualifies as provided in *
25 section 10A.31, subdivision 6, may receive from ~~his~~ the *
26 candidate's party account, based upon the formula set forth in *
27 section 10A.31, subdivision 3. Prior to the first day of filing *
28 for office, the board shall publish and forward to all filing *
29 officers these estimates. Within seven days after the last day *
30 for filing for office the secretary of state shall certify to *
31 the board the name, address, office sought, and party *
32 affiliation of each candidate who has filed with that office ~~his~~ *
33 the candidate's affidavit of candidacy or petition to appear on *
34 the ballot. The auditor of each county shall certify to the *
35 board the same information for each candidate who has filed with *
36 that county ~~his~~ an affidavit of candidacy or petition to appear *
37 on the ballot. Within seven days thereafter the board shall *
38 estimate the minimum amount to be received by each candidate who *
39 qualifies as provided in section 10A.31, subdivisions 6 and 7, *
40 and notify all candidates on or before August 15 of the *
41 applicable amount. The board shall include with the notice a *
42 form for the agreement provided in subdivision 3. *

43 Subd. 3b. As a condition of receiving a public subsidy for *
44 ~~his~~ the candidate's election campaign in the form of tax credits *
45 against the tax due from individuals who contribute to ~~his~~ the *
46 candidate's principal campaign committee a candidate shall agree *
47 by stating in writing to the board at any time beginning with *
48 the registration of ~~his~~ the candidate's principal campaign *
49 committee that ~~his~~ the candidate's expenditures and approved *
50 expenditures shall not exceed the expenditure limits as set *
51 forth in section 10A.25. The agreement shall remain effective *
52 until the dissolution of the principal campaign committee of the *
53 candidate or the opening of filing for the next succeeding *
54 election for the office held or sought at the time of agreement, *
55 whichever occurs first. An agreement signed under this *
56 subdivision may not be rescinded. The commissioner of revenue *
57 shall not allow any individual or married couple filing jointly *
58 to take a credit against any tax due, pursuant to section *
59 290.06, subdivision 11, for any contribution to a candidate for *
60 legislative or statewide office who has not signed the agreement *
61 provided in this subdivision. Nothing in this subdivision shall *
62 be construed to limit the campaign expenditure of any candidate *
63 who does not sign an agreement under this subdivision but *
64 accepts a contribution for which the contributor claims a credit *
65 against tax due. The board shall forward a copy of any *
66 agreement signed under this subdivision to the commissioner of *
67 revenue. The board shall make available to any candidate *
68 signing an agreement a supply of Official Tax Credit Receipt *
69 forms which state in bold face type that (a) a contributor who *
70 is given a receipt form is eligible to receive a credit *
71 against ~~his~~ tax due in an amount equal to 50 percent of ~~his~~ the *
72 contribution but not more than \$50 for an individual, or not *
73 more than \$100 for a married couple filing jointly, and (b) that *
74 the candidate to whom ~~he has contributed~~ the contribution was *
75 made has voluntarily agreed to abide by campaign expenditure *
76 limits. ~~If~~ A candidate who does not sign an agreement under *

1 this subdivision he may not issue an Official Tax Credit Receipt *
2 form, or any facsimile thereof, to any of ~~his~~ the candidate's *
3 contributors. Any candidate who does not voluntarily agree to
4 abide by the expenditure limits imposed in section 10A.25 and
5 who willfully issues Official Tax Credit Receipt forms, or any
6 facsimile thereof, to any contributor is guilty of a misdemeanor.

7 No change for subd 4

011A#03S

8 11A.03 STATE BOARD; MEMBERSHIP; ORGANIZATION.

9 Pursuant to article XI, section 8, of the constitution of
10 the state of Minnesota, the state board shall be composed of the
11 governor, state auditor, state treasurer, secretary of state and
12 attorney general. The governor shall serve as ex officio
13 chairman chair of the state board. *

011A#04S

14 11A.04 DUTIES AND POWERS.

15 The state board shall:

16 (1) Act as trustees for each fund for which it invests or
17 manages moneys in accordance with the standard of care set forth
18 in section 11A.09.

19 (2) Formulate policies and procedures deemed necessary and
20 appropriate to carry out its functions. Procedures adopted by
21 the board shall allow fund beneficiaries and members of the
22 public to become informed of proposed board actions. Procedures
23 and policies of the board shall not be subject to the
24 administrative procedure act.

25 (3) Employ an executive director as provided in section
26 11A.07.

27 (4) Employ investment advisors and consultants as it deems
28 necessary.

29 (5) Prescribe policies concerning personal investments of
30 all employees of the board to prevent conflicts of interest.

31 (6) Maintain a record of its proceedings.

32 (7) As it deems necessary, establish advisory committees
33 subject to the provisions of section 15.059 to assist the board
34 in carrying out its duties.

35 (8) Not permit state funds to be used for the underwriting
36 or direct purchase of municipal securities from the issuer or
37 ~~his~~ the issuer's agent. *

38 (9) Direct the state treasurer to sell property other than
39 money which has escheated to the state when the board determines
40 that sale of the property is in the best interest of the state.
41 Escheated property shall be sold to the highest bidder in the
42 manner and upon terms and conditions prescribed by the board.

43 (10) Undertake any other activities necessary to implement
44 the duties and powers set forth in this section.

45 (11) Establish a formula or formulas to measure management
46 performance and return on investment. All public pension funds
47 in the state shall utilize the formula or formulas developed by
48 the state board.

49 (12) Except as otherwise provided in article XI, section 8
50 of the constitution of the state of Minnesota, employ, at its
51 discretion, qualified private firms to invest and manage the
52 assets of funds over which the state board has investment
53 management responsibility. There is annually appropriated to
54 the state board, from the assets of the funds for which the
55 state board utilizes a private investment manager, sums
56 sufficient to pay the costs therefor. Each year, by January 15,
57 the board shall report to the governor and legislature on the
58 cost and the investment performance of each investment manager
59 employed by the board.

011A#07S

60 11A.07 EXECUTIVE DIRECTOR.

61 No change for subd 1 to 2

62 Subd. 4. DUTIES AND POWERS. The director, at the
63 direction of the state board, shall:

64 (1) Plan, direct, coordinate and execute administrative and
65 investment functions in conformity with the policies and
66 directives of the state board.

67 (2) Employ such professional and clerical staff as is
68 necessary within the complement limits established by the
69 legislature. Employees whose primary responsibility is to
70 invest or manage moneys or employees who hold positions
71 designated as unclassified pursuant to section 43A.08,
72 subdivision 1a shall be in the unclassified service of the
73 state. Other employees shall be in the classified service.

1 (3) Report to the state board on all operations under ~~his~~ *
2 the director's control and supervision. *

3 (4) Maintain accurate and complete records of securities
4 transactions and official activities.

5 (5) Establish a policy relating to the purchase and sale of
6 all securities on the basis of competitive offerings or bids.
7 The policy is subject to board approval.

8 (6) Cause all securities acquired to be kept in the custody
9 of the state treasurer or such other depositories as the state
10 board deems appropriate.

11 (7) Prepare and file with the director of the legislative
12 reference library on or before December 31 of each year, a
13 report summarizing the activities of the state board, the
14 council and the director during the preceding fiscal year. The
15 report shall be prepared so as to provide the legislature and
16 the people of the state with a clear, comprehensive summary of
17 the portfolio composition, the transactions, the total annual
18 rate of return and the yield to the state treasury and to each
19 of the funds whose assets are invested by the state board, and
20 the recipients of business placed or commissions allocated among
21 the various commercial banks, investment bankers and brokerage
22 organizations. This report shall contain financial statements
23 for funds managed by the board prepared in accordance with
24 generally accepted accounting principles.

25 (8) Require state officials from any department or agency
26 to produce and provide access to any financial documents the
27 state board deems necessary in the conduct of their investment
28 activities.

29 (9) Receive and expend legislative appropriations.

30 (10) Undertake any other activities necessary to implement
31 the duties and powers set forth in this subdivision.

32 No change for subd 5

011A#08S

33 11A.08 INVESTMENT ADVISORY COUNCIL.
34 No change for subd 1 to 2
35 Subd. 3. OFFICERS; MEETINGS. The council shall
36 annually elect a chairman chair and vice-chairman vice-chair *
37 from among its members, and may elect other officers as *
38 necessary. The council shall meet upon the call of the chairman *
39 chair of the council or the chairman chair of the state board.

40 No change for subd 4 to 5

41 Subd. 6. CONFLICT OF INTEREST; ECONOMIC INTEREST
42 STATEMENT. No member of the council may participate in
43 deliberations or vote on any matter before the council which
44 will or is likely to result in direct, measurable economic gain
45 to the member. Additionally, no member of the council appointed
46 by the state board may participate in deliberations or vote on
47 any matter before the council which will or is likely to result
48 in direct, measurable economic gain to ~~his~~ that member's *
49 employer. Members of the council shall file with the board of
50 ethical practices an economic interest statement in a manner as
51 prescribed by section 10A.09, subdivisions 5 and 6.

012*#02S

52 12.02 POLICY DECLARATION.
53 No change for subd 1
54 Subd. 2. It is further declared to be the purpose of this
55 chapter and the policy of the state that all civil defense
56 functions of this state be coordinated to the maximum extent
57 with the comparable functions of the federal government,
58 including its various departments and agencies, of other states
59 and localities, and of private agencies of every type, to the
60 end that the most effective preparations and use may be made of
61 the nation's manpower labor supply, resources, and facilities *
62 for dealing with any disaster that may occur.

012*#04S

63 12.04 DIVISION OF EMERGENCY SERVICES.
64 No change for subd 1
65 Subd. 2. All of the functions, powers and duties of the
66 state director of the division of emergency services as
67 described in chapter 12, are hereby transferred to and imposed
68 upon the commissioner of public safety, ~~and he~~ who shall be *
69 assigned to the duties and responsibilities described in this
70 section.

012*#11S

71 12.11 STATE DIRECTOR; PERSONNEL.
72 Subdivision 1. There is hereby created within the

1 executive branch of the state government a division of emergency
 2 services within the department of public safety, which shall be
 3 under the supervision and control of the governor and a director
 4 of emergency services, hereinafter called the "state director."
 5 The state director shall be appointed by the commissioner of
 6 public safety, ~~he~~ and shall not hold any other state office. *

7 Subd. 2. The state director may employ such technical,
 8 clerical, stenographic and other personnel and with the approval
 9 of the governor may make such expenditures within the
 10 appropriation therefor, or, with the approval of the executive
 11 council, from other funds made available to ~~him~~ the state *
 12 director for purposes of civil defense as may be necessary to *
 13 carry out the purposes of this chapter. Such personnel except
 14 the director of emergency services shall be in the classified
 15 service of the state civil service. Such personnel except the
 16 director of civil defense holding offices or employment in the
 17 unclassified service on December 31, 1956, and continuously
 18 thereafter and until the effective date of this subdivision
 19 shall be given a qualifying examination as herein provided. The
 20 director of civil service, subject to the rules and regulations
 21 of the civil service board, shall on or before January 1, 1958,
 22 prepare and give once to all such incumbents of positions in the
 23 civil defense agency whose positions are in the classified
 24 service a qualifying examination which shall be noncompetitive,
 25 practical and involve only the duties of the position they
 26 occupied on December 31, 1956, or the position they occupy on
 27 the effective date of this subdivision, or the position they
 28 occupy on the date said examination is given, whichever
 29 examination the officer or employee may elect to take. If such
 30 aforementioned incumbents are found by such qualifying
 31 examination to have such ability and capacity as to enable them
 32 to perform the duties of the position for which they were
 33 examined in a reasonably efficient manner, they shall be given a
 34 civil service status subject to the provisions of section
 35 43.21. ~~ff~~ Any of the aforementioned incumbents ~~who are~~ required *
 36 by this subdivision to take a qualifying examination ~~fails who~~ *
 37 fail to pass the examination, ~~he~~ shall be removed from ~~his~~ the *
 38 position at the expiration of 60 days following receipt of
 39 notice of failure to pass the examination. Any person who
 40 wilfully fails or refuses to take the examination when offered,
 41 without reasonable excuse, shall be removed from ~~his~~ the *
 42 position immediately. No person required by this subdivision to
 43 take a qualifying examination shall be laid off, suspended,
 44 discharged or reduced in pay or position except in accordance
 45 with the provisions of law applicable to the members of the
 46 classified civil service having a civil service status, until ~~he~~ *
 47 the person has completed such qualifying examination and is *
 48 notified of the result thereof, or unless ~~he~~ the person refuses *
 49 to take such qualifying examination. In the event of necessary *
 50 reductions in employment in any class or position, officers or
 51 employees who have not acquired a permanent civil service status
 52 shall be laid off in accordance with their seniority within the
 53 division of emergency services.

54 No change for subd 3

012*#21S

55 12.21 GOVERNOR.

56 No change for subd 1

57 Subd. 2. In performing ~~his~~ duties under this chapter, the *
 58 governor is authorized to cooperate with the federal government,
 59 with other states, and with private agencies, in all matters
 60 pertaining to the civil defense of this state and of the nation.

61 Subd. 3. In performing ~~his~~ duties under this chapter and *
 62 to effect its policy and purpose, the governor is further
 63 authorized and empowered:

64 (1) To make, amend, and rescind the necessary orders,
 65 rules, and regulations to carry out the provisions of this
 66 chapter and section 116J.15 within the limits of the authority
 67 conferred ~~upon him~~ herein, with due consideration of the plans *
 68 of the federal government and without complying with sections
 69 14.01 to 14.70, inclusive, but no order, rule or regulation
 70 shall have the force and effect of law except as provided by
 71 section 12.32;

72 (2) To prepare a comprehensive plan and program for the
 73 civil defense of this state, such plan and program to be
 74 integrated into and coordinated with the civil defense plans of
 75 the federal government and of other states to the fullest

1 possible extent, and to coordinate the preparation of plans and
2 programs for civil defense by the political subdivisions of this
3 state, such plans to be integrated into and coordinated with the
4 civil defense plan and program of this state to the fullest
5 possible extent;

6 (3) In accordance with such plan and program for the civil
7 defense of this state, to procure supplies and equipment, to
8 institute training programs and public information programs, and
9 to take all other preparatory steps, including the partial or
10 full mobilization of civil defense organizations in advance of
11 actual disaster, to insure the furnishing of adequately trained
12 and equipped forces of civil defense personnel in time of need;

13 (4) To make such studies and surveys of the industries,
14 resources, and facilities in this state as may be necessary to
15 ascertain the capabilities of the state for civil defense, and
16 to plan for the most efficient emergency use thereof;

17 (5) On behalf of this state, to enter into mutual aid
18 arrangements with other states and to coordinate mutual aid
19 plans between political subdivisions of this state;

20 (6) To delegate any administrative authority vested in ~~him~~ *
21 the governor under this chapter, except the power to make rules *
22 and regulations, to provide for the subdelegation of any such
23 authority;

24 (7) To appoint, in cooperation with local authorities,
25 metropolitan area directors when practicable;

26 (8) To cooperate with the president and the heads of the
27 armed forces, the civil defense agency of the United States and
28 other appropriate federal officers and agencies, and with the
29 officers and agencies of other states in matters pertaining to
30 the civil defense of the state and nation, including the
31 direction or control of

32 (a) blackouts and practice blackouts, air raid drills,
33 mobilization of civil defense forces, and other tests and
34 exercises;

35 (b) warnings and signals for drills or attacks and the
36 mechanical devices to be used in connection therewith;

37 (c) the effective screening or extinguishing of all lights
38 and lighting devices and appliances;

39 (d) shutting off water mains, gas mains, electric power
40 connections and the suspension of all other utility services;

41 (e) the conduct of civilians and the movement and
42 cessation of movement of pedestrians and vehicular traffic
43 during, prior, and subsequent to drills or attack;

44 (f) public meetings or gatherings; and

45 (g) the evacuation, reception, and sheltering of the
46 civilian population;

47 (9) To contribute to a political subdivision, within the
48 limits of the appropriation therefor, not more than 25 percent
49 of the cost of acquiring organizational equipment which meets
50 standards established by ~~him~~ the governor; *

51 (10) To formulate and execute, with the approval of the
52 executive council, plans and regulations for the control of
53 traffic in order to provide for the rapid and safe movement over
54 public highways and streets of troops, vehicles of a military
55 nature, materials for national defense and war or for use in any
56 war industry, for the conservation of critical materials or for
57 civil defense purposes, and to coordinate the activities of the
58 departments or agencies of the state and of the political
59 subdivisions thereof concerned directly or indirectly with
60 public highways and streets, in a manner which will best
61 effectuate such plans;

62 (11) To alter or adjust by executive order, without
63 complying with sections 14.01 to 14.70, the working hours, work
64 days and work week of, and annual and sick leave provisions and
65 payroll laws regarding all state employees in the executive
66 branch as ~~he~~ the governor deems necessary to minimize the impact *
67 of the disaster or emergency, conforming any alterations or
68 adjustments to existing state laws, rules and collective
69 bargaining agreements to the extent practicable;

70 (12) To authorize the commissioner of education to alter
71 school schedules, curtail school activities or order schools
72 closed without affecting state aid to schools.

73 No change for subd 4

012*#24S

74 12.24 MOBILE SUPPORT UNITS.

75 Subdivision 1. The governor or ~~his~~ a duly designated *

1 representative is authorized to create and establish such number
 2 of mobile support units as may be necessary to reinforce civil
 3 defense organizations in stricken areas and with due
 4 consideration of the plans of the federal government and of
 5 other states. He The governor shall appoint a commander for
 6 each unit who shall have primary responsibility for the
 7 organization, administration and operation of such unit.

8 Subd. 2. Where the governor or his a duly authorized
 9 representative deems it necessary to send an employee of the
 10 division of emergency services or any other person, whether or
 11 not that person is a state employee, to any school, training or
 12 indoctrination program, or place for training or indoctrination
 13 in matter legitimately connected with civil defense, or where he
 14 the governor deems it necessary to send any person, whether or
 15 not a state employee, to any place in this or another state for
 16 any purpose connected with civil defense, he the governor may
 17 authorize the payment of travel expenses and reasonable
 18 subsistence for the period of time during which he the person is
 19 required to remain at the place ~~to which he has been sent~~.
 20 These payments shall be made from money appropriated to the
 21 department. Upon the certification by the governor or his a
 22 duly authorized representative of the purpose and amount of any
 23 such payment, the commissioner of finance shall draw his a
 24 warrant upon the state treasurer, and the latter shall pay the
 25 amount so certified. The stipulations in this section are
 26 subject to the provisions of section 43A.18.

27 The governor may devise and formulate a procedure for
 28 processing and certification of travel and subsistence expenses
 29 which allows the person to submit monthly statements of expenses
 30 incurred during the preceding month.

012*#28S

31 12.28 ORDERS, RULES; ENFORCEMENT.

32 It shall be the duty of every organization for civil
 33 defense established pursuant to this chapter and of the officers
 34 thereof to execute and enforce such orders, rules and
 35 regulations as may be made by the governor under authority of
 36 this chapter or section 116J.15. Each such organization shall
 37 have available for inspection at its office all orders, rules
 38 and regulations made by the governor, or under his the
 39 governor's authority.

012*#29S

40 12.29 LOCAL EMERGENCIES.

41 Subdivision 1. A local emergency may be declared only by
 42 the mayor of a municipality or the chairman chair of a county
 43 board of commissioners or their legal successors. It shall not
 44 be continued for a period in excess of three days except by or
 45 with the consent of the governing board of the political
 46 subdivision. Any order, or proclamation declaring, continuing,
 47 or terminating a local emergency shall be given prompt and
 48 general publicity and shall be filed promptly by the chief of
 49 the local records keeping agency of the subdivision.

50 No change for subd 2 to 3

012*#301S

51 12.301 COMMUNITY DISASTER LOANS.

52 Whenever, at the request of the governor, the president has
 53 declared a major disaster to exist in this state, the governor
 54 is authorized:

55 (a) Upon his the governor's determination that a political
 56 subdivision of the state will suffer a substantial loss of tax
 57 and other revenues from a major disaster and has demonstrated a
 58 need for financial assistance to perform its governmental
 59 functions, to apply to the federal government, on behalf of the
 60 political subdivision, for a loan, and to receive and disburse
 61 the proceeds of any approved loan to any applicant political
 62 subdivision.

63 (b) To determine the amount needed by any applicant
 64 political subdivision to restore or resume its governmental
 65 functions, and to certify the same to the federal government.
 66 No application amount shall exceed 25 percent of the annual
 67 operating budget of the applicant for the fiscal year in which
 68 the major disaster occurs.

69 (c) To recommend to the federal government, based upon his
 70 the governor's review, the cancellation of all or any part of
 71 repayment when, in the first three full fiscal year period
 72 following the major disaster, the revenues of the political
 73 subdivision are insufficient to meet its operating expenses,

1 including additional disaster-related expenses of a municipal
2 operation character.

012*#31S

3 12.31 ENEMY ATTACK OR PEACETIME EMERGENCY; DECLARATION
4 OF EMERGENCY.

5 Subdivision 1. In the event information from the president
6 of the United States or of the federal emergency management
7 agency or the department of defense or through the national air
8 warning system indicates the imminence of an actual enemy attack
9 upon the United States, which means the several states, the
10 District of Columbia, the Commonwealth of Puerto Rico, and the
11 Panama Canal Zone, or the occurrence, within the state of
12 Minnesota, of a major disaster from enemy sabotage or other
13 hostile action, the governor may, by proclamation, declare that
14 a civil defense emergency exists in all or any part of the
15 state; and, if the legislature is then in regular session, or,
16 if it is not, if the governor concurrently with ~~his~~ the *
17 proclamation declaring such an emergency issues a call convening *
18 immediately both houses of the legislature, ~~he~~ the governor *
19 shall have and may exercise for a period not to exceed 30 days
20 the emergency powers and duties conferred and imposed ~~upon him~~ *
21 by sections 12.31 to 12.37, and the political subdivision shall
22 have and may exercise for such period of not to exceed 30 days
23 the powers and duties conferred and imposed upon them by
24 sections 12.31 to 12.37. The lapse of such emergency powers
25 shall not, as regards any act or acts occurring or committed
26 within said 30-day period, deprive any person, firm,
27 corporation, political subdivision, municipal corporation or
28 body politic of any right or rights to compensation or
29 reimbursement which ~~he~~-~~she~~, it ~~or~~-~~they~~ may have under the *
30 provisions of this chapter.

31 No change for subd 2 to 3

012*#33S

32 12.33 ASSISTANCE BETWEEN POLITICAL SUBDIVISIONS.

33 Subdivision 1. Whenever the public interest requires it on
34 account of an imminent emergency, the governor may, ~~in his~~ *
35 ~~discretion~~, authorize and direct the police, fire-fighting, *
36 health, or other force of any political subdivision, herein
37 called the sending political subdivision, to go to the
38 assistance of another political subdivision, herein called the
39 receiving political subdivision, and to take and use for such
40 purpose such personnel, equipment, and supplies of the sending
41 political subdivision as the governor may direct.

42 No change for subd 2 to 4

012*#34S

43 12.34 PERSONS REQUIRED TO ASSIST.

44 No change for subd 1

45 Subd. 2. The owner of any property so commandeered shall
46 be promptly paid just compensation for the use thereof and all
47 damages done to the property while so used for civil defense
48 purposes. The governor or the governing body of the political
49 subdivision concerned, respectively, according to the use
50 thereof, shall make a formal order determining the amount of
51 such compensation. The owner may appeal to the district court
52 of the county in which such property was commandeered if, within
53 30 days from the date of such order, ~~he~~ the owner serves upon *
54 the governor or the political subdivision concerned and files
55 with the clerk of such court a written notice of appeal setting
56 forth the order appealed from and, in detail, the amount claimed
57 as compensation. Upon such appeal, the issue shall be the
58 amount of damages to which the appellant is entitled. It may be
59 noticed for trial as in the case of a civil action and the court
60 may require other parties to be joined and to plead therein when
61 necessary to a proper determination of the questions involved.
62 The cause shall be tried without a jury de novo and the court
63 shall determine the damages and the person or persons entitled
64 thereto. Except as herein otherwise provided, the trial shall
65 be conducted and the cause disposed of according to the rules
66 applicable to civil actions in the district court. The court in
67 its discretion may award to the prevailing party the costs and
68 disbursements of the appeal.

69 No change for subd 3

012*#36S

70 12.36 GOVERNOR MAY CONTRACT.

71 The governor, during a civil defense emergency, is,
72 notwithstanding any other provision of law, empowered to enter

1 into contracts and incur obligations necessary to combat such
 2 disaster by protecting the health and safety of persons and the
 3 safety of property, and providing emergency assistance to the
 4 victims of such disaster; to exercise the powers vested by this
 5 subdivision in the light of the exigencies of the disaster
 6 without compliance with time-consuming procedures and
 7 formalities prescribed by law pertaining to the performance of
 8 public work, entering into contract, incurring of obligations,
 9 employment of temporary workers, rental of equipment, purchase
 10 of supplies and materials, for example, but not limited to,
 11 publication of calls for bids, provisions of the civil service
 12 act and rules, provisions relating to low bids and requirements
 13 for the budgeting and allotment of funds. All contracts shall
 14 be in writing, executed on behalf of the state by the governor
 15 or a person ~~by him~~ delegated by the governor in writing so to *
 16 do, and shall be promptly filed with the commissioner of
 17 finance, who shall forthwith encumber funds appropriated for the
 18 purposes of the contract for the full contract liability and
 19 certify thereon that such encumbrance has been made.

012*#43S

20 12.43 SUBVERSIVES; HIRING, USING; OATHS.

21 No person shall be employed or associated in any capacity
 22 in any civil defense organization established under this chapter
 23 who advocates or has advocated a change by force or violence in
 24 the constitutional form of the Government of the United States
 25 or in this state or the overthrow of any government in the
 26 United States by force or violence, or who has been convicted of
 27 or is under indictment or information charging any subversive
 28 act against the United States. Each person who is appointed to
 29 serve in an organization for civil defense shall, before
 30 entering upon ~~his~~ any duties, take an oath, in writing, before a *
 31 person authorized to administer oaths in this state, which oath
 32 shall be substantially as follows:

33 "I,, do solemnly swear (or affirm) that I will
 34 support and defend the Constitution of the United States and the
 35 Constitution of the State of against all enemies, foreign
 36 and domestic; that I will bear true faith and allegiance to the
 37 same; that I take this obligation freely, without any mental
 38 reservation or purpose of evasion; and that I will well and
 39 faithfully discharge the duties upon which I am about to enter.
 40 And I do further swear (or affirm) that I do not advocate, nor
 41 am I a member of any political party or organization that
 42 advocates the overthrow of the Government of the United States
 43 or of this state by force or violence; and that during such time
 44 as I am a member of the (name of civil defense organization), I
 45 will not advocate nor become a member of any political party or
 46 organization that advocates the overthrow of the Government of
 47 the United States, or of this state, by force or violence."

48 This oath may be administered by any officer of the state
 49 division of emergency services, local civil defense director, or
 50 ground observer corps supervisor.

012*#46S

51 12.46 LIMITATION OF POWERS.

52 Nothing in this chapter shall be construed to authorize the
 53 governor or the director:

54 (1) By subpoena or otherwise to require any person to
 55 appear before ~~him~~ or any other person or to produce any records *
 56 for inspection by ~~him~~ or any other person, or to examine any *
 57 person under oath; and

58 (2) To remove summarily from office any person, other than
 59 a person appointed under this chapter, except as now provided by
 60 law or as herein specifically authorized.

013*#04S

61 13.04 RIGHTS OF SUBJECTS OF DATA.

62 No change for subd 1

63 Subd. 2. INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.

64 An individual asked to supply private or confidential data
 65 concerning ~~himself~~ the individual shall be informed of: (a) the *
 66 purpose and intended use of the requested data within the
 67 collecting state agency, political subdivision, or statewide
 68 system; (b) whether ~~he~~ the individual may refuse or is legally *
 69 required to supply the requested data; (c) any known consequence
 70 arising from ~~his~~ supplying or refusing to supply private or *
 71 confidential data; and (d) the identity of other persons or
 72 entities authorized by state or federal law to receive the
 73 data. This requirement shall not apply when an individual is

1 asked to supply investigative data, pursuant to section 13.82,
2 subdivision 5, to a law enforcement officer.

3 The commissioner of revenue may place the notice required
4 under this subdivision in the individual income tax or property
5 tax refund instructions instead of on those forms.

6 Subd. 3. ACCESS TO DATA BY INDIVIDUAL. Upon request
7 to a responsible authority, an individual shall be informed
8 whether ~~he~~ the individual is the subject of stored data on *
9 individuals, and whether it is classified as public, private or *
10 confidential. Upon ~~his~~ further request, an individual who is *
11 the subject of stored private or public data on individuals *
12 shall be shown the data without any charge ~~to him~~ and, if he *
13 ~~desires~~ desired, shall be informed of the content and meaning of *
14 that data. After an individual has been shown the private data
15 and informed of its meaning, the data need not be disclosed
16 to ~~him~~ that individual for six months thereafter unless a *
17 dispute or action pursuant to this section is pending or
18 additional data on the individual has been collected or
19 created. The responsible authority shall provide copies of the
20 private or public data upon request by the individual subject of
21 the data. The responsible authority may require the requesting
22 person to pay the actual costs of making, certifying, and
23 compiling the copies.

24 The responsible authority shall comply immediately, if
25 possible, with any request made pursuant to this subdivision, or
26 within five days of the date of the request, excluding
27 Saturdays, Sundays and legal holidays, if immediate compliance
28 is not possible. If ~~he cannot~~ unable to comply with the request *
29 within that time, ~~he~~ the responsible authority shall so inform *
30 the individual, and may have an additional five days within
31 which to comply with the request, excluding Saturdays, Sundays
32 and legal holidays.

33 Subd. 4. PROCEDURE WHEN DATA IS NOT ACCURATE OR
34 COMPLETE. An individual subject of the data may contest the *
35 accuracy or completeness of public or private data ~~concerning~~ *
36 ~~himself~~. To exercise this right, an individual shall notify in *
37 writing the responsible authority describing the nature of the
38 disagreement. The responsible authority shall within 30 days
39 either: (a) correct the data found to be inaccurate or
40 incomplete and attempt to notify past recipients of inaccurate
41 or incomplete data, including recipients named by the
42 individual; or (b) notify the individual that ~~he~~ the authority *
43 believes the data to be correct. Data in dispute shall be *
44 disclosed only if the individual's statement of disagreement is
45 included with the disclosed data.

46 The determination of the responsible authority may be
47 appealed pursuant to the provisions of the administrative
48 procedure act relating to contested cases.

013*#05S

49 13.05 DUTIES OF RESPONSIBLE AUTHORITY.

50 Subdivision 1. PUBLIC DOCUMENT OF DATA CATEGORIES.
51 The responsible authority shall prepare a public document
52 containing ~~his~~ the authority's name, title and address, and a *
53 description of each category of record, file, or process
54 relating to private or confidential data on individuals *
55 maintained by ~~his~~ the authority's state agency, statewide
56 system, or political subdivision. Forms used to collect private
57 and confidential data shall be included in the public document.
58 Beginning August 1, 1977 and annually thereafter, the
59 responsible authority shall update the public document and make
60 any changes necessary to maintain the accuracy of the document.
61 The document shall be available from the responsible authority
62 to the public in accordance with the provisions of sections
63 13.03 and 15.17.

64 No change for subd 2 to 3

65 Subd. 4. LIMITATIONS ON COLLECTION AND USE OF DATA.
66 Private or confidential data on an individual shall not be
67 collected, stored, used or disseminated by political
68 subdivisions, statewide systems or state agencies for any
69 purposes other than those stated to the individual at the time
70 of collection in accordance with section 13.04, except as
71 provided in this subdivision.

72 (a) Data collected prior to August 1, 1975, and which have
73 not been treated as public data, may be used, stored, and
74 disseminated for the purposes for which the data was originally
75 collected or for purposes which are specifically approved by the

1 commissioner as necessary to public health, safety, or welfare.
2 (b) Private or confidential data may be used and
3 disseminated to individuals or agencies specifically authorized
4 access to that data by state, local, or federal law subsequent
5 to the collection of the data.

6 (c) Private or confidential data may be used and
7 disseminated to individuals or agencies subsequent to the
8 collection of the data when the responsible authority
9 maintaining the data has requested approval for a new or
10 different use or dissemination of the data and that request has
11 been specifically approved by the commissioner as necessary to
12 carry out a function assigned by law.

13 (d) Private data may be used by and disseminated to any
14 person or agency if the individual subject or subjects of the
15 data have given their informed consent. Whether a data subject
16 has given informed consent shall be determined by rules of the
17 commissioner. Informed consent shall not be deemed to have been
18 given by an individual subject of the data by the signing of any
19 statement authorizing any person or agency to disclose
20 information about ~~him-or-her~~ the individual to an insurer or its
21 authorized representative, unless the statement is: *

- 22 (1) In plain language;
- 23 (2) Dated;
- 24 (3) Specific in designating the particular persons or
25 agencies the data subject is authorizing to disclose information
26 about ~~him-or-her~~ the data subject; *
- 27 (4) Specific as to the nature of the information ~~he-or-she~~ *
- 28 the subject is authorizing to be disclosed; *
- 29 (5) Specific as to the persons or agencies to whom ~~he-or~~ *
- 30 ~~she~~ the subject is authorizing information to be disclosed; *
- 31 (6) Specific as to the purpose or purposes for which the
32 information may be used by any of the parties named in clause
33 (5), both at the time of the disclosure and at any time in the
34 future;

35 (7) Specific as to its expiration date which should be
36 within a reasonable period of time, not to exceed one year
37 except in the case of authorizations given in connection with
38 applications for life insurance or noncancelable or guaranteed
39 renewable health insurance and identified as such, two years
40 after the date of the policy.

41 No change for subd 5 to 6

42 Subd. 7. PREPARATION OF SUMMARY DATA. The use of
43 summary data derived from private or confidential data on
44 individuals under the jurisdiction of one or more responsible
45 authorities is permitted. Unless classified pursuant to section
46 13.06, another statute, or federal law, summary data is public.
47 The responsible authority shall prepare summary data from
48 private or confidential data on individuals upon the request of
49 any person if the request is in writing and the cost of
50 preparing the summary data is borne by the requesting person.
51 The responsible authority may delegate the power to prepare
52 summary data (1) to the administrative officer responsible for
53 any central repository of summary data; or (2) to a person
54 outside of its agency if the ~~person-sets~~ person's purpose is set *
55 forth, in writing, ~~his-purpose~~ and the person agrees not to *
56 disclose, and the agency reasonably determines that the access
57 will not compromise private or confidential data on individuals.

58 No change for subd 8 to 10

013*#06S

59 13.06 TEMPORARY CLASSIFICATION.

60 No change for subd 1 to 3

61 Subd. 4. PROCEDURE WHEN CLASSIFICATION AFFECTS OTHERS.

62 If the commissioner determines that an application for
63 temporary classification involves data which would reasonably be
64 classified in the same manner by all agencies, political
65 subdivisions, or statewide systems similar to the one which made
66 the application, the commissioner may approve or disapprove the
67 classification for data of the kind which is the subject of the
68 application for the use of all agencies, political subdivisions,
69 or statewide systems similar to the applicant. ~~if-the~~ *
70 ~~commissioner-deems~~ On deeming this approach advisable, ~~he~~ the *
71 commissioner shall provide notice of ~~his-intention~~ the proposed *
72 action by publication in the state register and by notification *
73 to the intergovernmental information systems advisory council,
74 within ten days of receiving the application. Within 30 days
75 after publication in the state register and notification to the

1 council, an affected agency, political subdivision, the public,
 2 or statewide system may submit comments on the commissioner's
 3 proposal. The commissioner shall consider any comments received
 4 when granting or denying a classification for data of the kind
 5 which is the subject of the application, for the use of all
 6 agencies, political subdivisions, or statewide systems similar
 7 to the applicant. Within 45 days after the close of the period
 8 for submitting comment, the commissioner shall grant or
 9 disapprove the application. Applications processed under this
 10 subdivision shall be either approved or disapproved by the
 11 commissioner within 90 days of the receipt of the application.
 12 For purposes of subdivision 1, the data which is the subject of
 13 the classification shall be deemed to be classified as set forth
 14 in the application for a period of 90 days, or until the
 15 application is disapproved or granted by the commissioner,
 16 whichever is earlier. If requested in the application, or
 17 determined to be necessary by the commissioner, the data in the
 18 application shall be so classified for all agencies, political
 19 subdivisions, or statewide systems similar to the applicant
 20 until the application is disapproved or granted by the
 21 commissioner, whichever is earlier. Proceedings after the grant
 22 or disapproval shall be governed by the provisions of
 23 subdivision 5.

24 Subd. 5. DETERMINATION. The commissioner shall
 25 either grant or disapprove the application for temporary
 26 classification within 45 days after it is filed. ~~if the~~ *
 27 ~~commissioner disapproves the~~ On disapproving an application, he *
 28 the commissioner shall set forth in detail ~~his~~ reasons for the *
 29 disapproval, and shall include a statement of belief as to what *
 30 classification ~~he believes~~ is appropriate for the data which is *
 31 the subject of the application. Twenty days after the date of
 32 the commissioner's disapproval of an application, the data which
 33 is the subject of the application shall become public data,
 34 unless the responsible authority submits an amended application
 35 for temporary classification which requests the classification
 36 deemed appropriate by the commissioner in ~~his~~ the statement of *
 37 disapproval or which sets forth additional information relating
 38 to the original proposed classification. Upon the filing of an
 39 amended application, the data which is the subject of the
 40 amended application shall be deemed to be classified as set
 41 forth in the amended application for a period of 20 days or
 42 until the amended application is granted or disapproved by the
 43 commissioner, whichever is earlier. The commissioner shall
 44 either grant or disapprove the amended application within 20
 45 days after it is filed. Five working days after the date of the
 46 commissioner's disapproval of the amended application, the data
 47 which is the subject of the application shall become public
 48 data. No more than one amended application may be submitted for
 49 any single file or system.

50 If the commissioner grants an application for temporary
 51 classification, it shall become effective immediately, and the
 52 complete record relating to the application shall be submitted
 53 to the attorney general, who shall review the classification as
 54 to form and legality. Within 25 days, the attorney general shall
 55 approve the classification, disapprove a classification as
 56 confidential but approve a classification as private, or
 57 disapprove the classification. If the attorney general
 58 disapproves a classification, the data which is the subject of
 59 the classification shall become public data five working days
 60 after the date of the attorney general's disapproval.

61 No change for subd 6 to 7

013*#08S

62 13.08 CIVIL REMEDIES.

63 Subdivision 1. ACTION FOR DAMAGES. Notwithstanding
 64 section 466.03, a political subdivision, responsible authority,
 65 statewide system, or state agency which violates any provision
 66 of this chapter is liable to a person or representative of a
 67 decedent who suffers any damage as a result of the violation,
 68 and the person damaged or ~~his~~ a representative in the case of *
 69 private data on decedents or confidential data on decedents may
 70 bring an action against the political subdivision, responsible
 71 authority, statewide system or state agency to cover any damages
 72 sustained, plus costs and reasonable attorney fees. In the case
 73 of a willful violation, the political subdivision, statewide
 74 system or state agency shall, in addition, be liable to
 75 exemplary damages of not less than \$100, nor more than \$10,000

1 for each violation. The state is deemed to have waived any
2 immunity to a cause of action brought under this chapter.

3 No change for subd 2 to 5

013*#10S

4 13.10 DATA ON DECEDENTS.

5 Subdivision 1. DEFINITIONS. As used in this chapter:

6 (a) "Confidential data on decedents" means data which,
7 prior to the death of the data subject, were classified by
8 statute, federal law, or temporary classification as
9 confidential data.

10 (b) "Private data on decedents" means data which, prior to
11 the death of the data subject, were classified by statute,
12 federal law, or temporary classification as private data.

13 (c) "Representative of the decedent" means the personal
14 representative of the estate of the decedent during the period
15 of administration, or if no personal representative has been
16 appointed or after his discharge, the surviving spouse, any
17 child of the decedent, or, if there is no surviving spouse or
18 children, any other of the decedent's living next of kin within
19 one degree on consanguinity as determined in the order of
20 priority established by the rules of civil law.

21 No change for subd 2 to 6

013*#30S

22 13.30 ATTORNEYS.

23 Notwithstanding the provisions of this chapter and section
24 15.17, the use, collection, storage, and dissemination of data
25 by an attorney acting in his a professional capacity for the
26 state, a state agency or a political subdivision shall be
27 governed by statutes, rules, and professional standards
28 concerning discovery, production of documents, introduction of
29 evidence, and professional responsibility; provided that this
30 section shall not be construed to affect the applicability of
31 any statute, other than this chapter and section 15.17, which
32 specifically requires or prohibits disclosure of specific
33 information by the attorney, nor shall this section be construed
34 to relieve any responsible authority, other than the attorney,
35 from his duties and responsibilities pursuant to this chapter
36 and section 15.17.

013*#32S

37 13.32 EDUCATIONAL DATA.

38 Subdivision 1. As used in this section:

39 (a) "Educational data" means data on individuals maintained
40 by a public educational agency or institution or by a person
41 acting for the agency or institution which relates to a student.

42 Records of instructional personnel which are in the sole
43 possession of the maker thereof and are not accessible or
44 revealed to any other individual except a substitute teacher,
45 and are destroyed at the end of the school year, shall not be
46 deemed to be government data.

47 Records of a law enforcement unit of a public educational
48 agency or institution which are maintained apart from education
49 data and are maintained solely for law enforcement purposes, and
50 are not disclosed to individuals other than law enforcement
51 officials of the jurisdiction are confidential; provided, that
52 education records maintained by the educational agency or
53 institution are not disclosed to the personnel of the law
54 enforcement unit.

55 Records relating to a student who is employed by a public
56 educational agency or institution which are made and maintained
57 in the normal course of business, relate exclusively to the
58 individual in that individual's capacity as an employee, and are
59 not available for use for any other purpose are classified
60 pursuant to section 13.43.

61 (b) "Student" means an individual currently or formerly
62 enrolled or registered, applicants for enrollment or
63 registration at a public educational agency or institution, or
64 individuals who receive shared time educational services from a
65 public agency or institution.

66 (c) "Substitute teacher" means an individual who performs
67 on a temporary basis the duties of the individual who made the
68 record, but does not include an individual who permanently
69 succeeds to the position of the maker of the record in-his
70 position.

71 No change for subd 2 to 3

72 Subd. 4. A student shall not have the right of access to
73 private data provided in section 13.04, subdivision 3, as to

1 financial records and statements of ~~his~~ the student's parents or *
2 any information contained therein.

3 No change for subd 5 to 6

013*#46S

4 13.46 WELFARE DATA.

5 No change for subd 1 to 8

6 Subd. 9. FRAUD. In cases of suspected fraud, in
7 which access to mental health data maintained by public or
8 private community mental health centers or mental health
9 divisions of counties and other providers under contract to
10 deliver mental health services is necessary to a proper
11 investigation, the county board or the appropriate prosecutorial
12 authority shall refer the matter to the commissioner of human
13 services. The commissioner and ~~his~~ agents of the commissioner, *
14 while maintaining the privacy rights of individuals and
15 families, shall have access to mental health data to conduct an
16 investigation. ~~If,~~ Upon deeming it appropriate as a result of *
17 the investigation, the commissioner ~~deems-it-appropriate,-he~~ *
18 shall refer the matter to the appropriate legal authorities and
19 may disseminate to those authorities whatever mental health data
20 are necessary to properly prosecute the case.

21 Subd. 10. RESPONSIBLE AUTHORITY. (a) Notwithstanding
22 any other provision of this chapter to the contrary, the
23 responsible authority for each component of the welfare system
24 listed in subdivision 1, clause (c), shall be as follows:

25 (1) the responsible authority for the department of human
26 services, state hospitals, and nursing homes is the commissioner
27 of the department of human services;

28 (2) the responsible authority of a county welfare agency is
29 the director of the county welfare agency;

30 (3) the responsible authority for a county welfare board,
31 human services board, or community mental health center board is
32 the ~~chairman~~ chair of the board; and *

33 (4) the responsible authority of any person, agency,
34 institution, organization, or other entity under contract to any
35 of the components of the welfare system listed in subdivision 1,
36 clause (c), is the person specified in the contract.

37 (b) A responsible authority shall allow another responsible
38 authority in the welfare system access to data classified as not
39 public data when access is necessary for the administration and
40 management of programs, or as authorized or required by statute
41 or federal law.

013*#64S

42 13.64 DEPARTMENT OF ADMINISTRATION DATA.

43 Notes and preliminary drafts of reports created, collected,
44 or maintained by the management analysis division, department of
45 administration, and prepared during audits or investigations of
46 state departments and agencies are classified as confidential or
47 protected nonpublic data until the final report has been
48 published or preparation of the report is no longer being
49 actively pursued. Data that support the conclusions of the
50 report and that the commissioner of administration reasonably
51 believes will result in litigation are confidential or protected
52 nonpublic until the litigation has been completed or until the
53 litigation is no longer being actively pursued. Data on
54 individuals that could reasonably be used to determine the
55 identity of an individual supplying data for a report are
56 private if (a) the data supplied by the individual were needed
57 for an audit and (b) the data would not have been provided to
58 the management analysis division without an assurance to the
59 individual that ~~his~~ the individual's identity would remain *
60 private.

013*#75S

61 13.75 BUREAU OF MEDIATION SERVICES DATA.

62 No change for subd 1

63 Subd. 2. MEDIATION DATA. All data received or
64 maintained by the director or staff of the bureau of mediation *
65 services ~~or-his-staff~~ during the course of providing mediation *
66 services to the parties to a labor dispute under the provisions
67 of chapter 179 are classified as protected nonpublic data with
68 regard to data not on individuals, pursuant to section 13.02,
69 subdivision 13, and as confidential data on individuals pursuant
70 to section 13.02, subdivision 3, except to the extent the
71 director of the bureau of mediation services determines such
72 data are necessary to fulfill the requirements of section
73 179.71, subdivisions 5 and 6, or to identify the general nature

1 of or parties to a labor dispute.

013*#82S

2 13.82 COMPREHENSIVE LAW ENFORCEMENT DATA.

3 No change for subd 1

4 Subd. 2. ARREST DATA. The following data created or
5 collected by law enforcement agencies which documents any
6 actions taken by them to cite, arrest, incarcerate or otherwise
7 substantially deprive an adult individual of ~~his~~ liberty shall *
8 be public at all times in the originating agency:

9 (a) Time, date and place of the action;

10 (b) Any resistance encountered by the agency;

11 (c) Any pursuit engaged in by the agency;

12 (d) Whether any weapons were used by the agency or other
13 individual;

14 (e) The charge, arrest or search warrants, or other legal
15 basis for the action;

16 (f) The identities of the agencies, units within the
17 agencies and individual persons taking the action;

18 (g) Whether and where the individual is being held in
19 custody or is being incarcerated by the agency;

20 (h) The date, time and legal basis for any transfer of
21 custody and the identity of the agency or person who received
22 custody;

23 (i) The date, time and legal basis for any release from
24 custody or incarceration;

25 (j) The name, age, sex and last known address of an adult
26 person or the age and sex of any juvenile person cited,
27 arrested, incarcerated or otherwise substantially deprived of
28 ~~his~~ liberty; *

29 (k) Whether the agency employed wiretaps or other
30 eavesdropping techniques, unless the release of this specific
31 data would jeopardize an ongoing investigation;

32 (l) The manner in which the agencies received the
33 information that led to the arrest and the names of individuals
34 who supplied the information unless the identities of those
35 individuals qualify for protection under subdivision 10; and

36 (m) Response or incident report number.

37 No change for subd 3 to 5

38 Subd. 6. ACCESS TO DATA FOR CRIME VICTIMS. The
39 prosecuting authority shall release investigative data collected
40 by a law enforcement agency to the victim of a criminal act or
41 ~~his~~ the victim's legal representative upon written request *
42 unless the prosecuting authority reasonably believes:

43 (a) That the release of that data will interfere with the
44 investigation; or

45 (b) That the request is prompted by a desire on the part of
46 the requestor to engage in unlawful activities.

47 No change for subd 7 to 9

48 Subd. 10. PROTECTION OF IDENTITIES. A law
49 enforcement agency may withhold public access to data on
50 individuals to protect the identity of individuals in the
51 following circumstances:

52 (a) When access to the data would reveal the identity of an
53 undercover law enforcement officer;

54 (b) When access to the data would reveal the identity of a
55 victim of criminal sexual conduct or intrafamilial sexual abuse
56 or of a violation of section 617.246, subdivision 2;

57 (c) When access to the data would reveal the identity of a
58 paid or unpaid informant being used by the agency if the agency
59 reasonably determines that revealing the identity of the
60 informant would threaten the personal safety of the informant;
61 or

62 (d) When access to the data would reveal the identity of a
63 victim of or witness to a crime if the victim or witness
64 specifically requests ~~that his identity~~ not to be revealed *
65 identified publicly, and the agency reasonably determines that *
66 revealing the identity of the victim or witness would threaten
67 the personal safety or property of the individual.

68 No change for subd 11 to 16

013*#83S

69 13.83 MEDICAL EXAMINER DATA.

70 Subdivision 1. DEFINITION. As used in this section,
71 "medical examiner data" means data relating to deceased
72 individuals and the manner and circumstances of their death
73 which is created, collected, used or maintained by a county
74 coroner or medical examiner in the fulfillment of ~~his~~ official *

1 duties pursuant to chapter 390, or any other general or local
2 law on county coroners or medical examiners.

3 No change for subd 2

4 Subd. 3. UNIDENTIFIED INDIVIDUAL; PUBLIC DATA.

5 ~~Whenever~~ A county coroner or medical examiner ~~is~~ unable during *
6 an investigation to identify a deceased individual ~~subject to~~ *
7 ~~his investigation~~, he may release to the public any relevant *
8 data which would assist in ascertaining identity.

9 Subd. 4. CONFIDENTIAL DATA. Data created or
10 collected by a county coroner or medical examiner which is part
11 of an active investigation mandated by chapter 390, or any other
12 general or local law relating to coroners or medical examiners
13 is confidential data on individuals pursuant to section 13.02,
14 subdivision 3, until the completion of the coroner's or medical
15 examiner's final summary of ~~his~~ findings at which point the data *
16 collected in the investigation and the final summary thereof
17 shall become private data on individuals, except that nothing in
18 this subdivision shall be construed to make private or
19 confidential the data elements identified in subdivision 2 at
20 any point in the investigation or thereafter.

21 No change for subd 5 to 9

013A#04S

22 13A.04 EXCEPTIONS.

23 No change for subd 1 to 3

24 Subd. 4. OTHER EXCEPTIONS. Nothing in this chapter:

25 (a) prohibits the disclosure of any financial records or
26 information which is not identified with or identifiable as
27 being derived from the financial records of a particular
28 customer;

29 (b) prohibits examination by or disclosure to the
30 commissioner of commerce of financial records or information in
31 the exercise of ~~his~~ the commissioner's supervisory, regulatory, *
32 or monetary functions with respect to a financial institution;

33 (c) shall apply when financial records are sought by a
34 government authority under the rules of civil or criminal
35 procedure in connection with litigation to which the government
36 authority and the customer are parties;

37 (d) shall apply when financial records are sought by a
38 government authority in connection with a lawful proceeding,
39 investigation, examination, or inspection directed at the
40 financial institution in possession of the records or at a legal
41 entity which is not a customer;

42 (e) shall apply to any subpoena or court order issued in
43 connection with proceedings before a grand jury;

44 (f) shall apply to subpoenas issued in civil cases pursuant
45 to the rules of civil procedure; or

46 (g) shall apply when a government authority is seeking only
47 the name, address, account number, and type of account of any
48 customer or ascertainable group of customers associated with a
49 financial transaction or class of financial transaction.

014*#37S

50 14.37 EFFECT OF PUBLICATION.

51 No change for subd 1

52 Subd. 2. COMPILED RULES. The text of the rules in
53 the first compilation published by the revisor is prima facie
54 evidence of the text of the rules as against any previous
55 documents. However, the previous documents may be used to
56 construe the text of a rule. Except as provided in section
57 14.47, subdivision 6, the compilation shall not be construed as
58 repealing any unpublished rule. The rules published in the
59 compilation shall be construed as continuations of prior rules
60 and not as new rules.

61 Any subsequent compilation or supplement published by the
62 revisor and containing ~~his~~ the revisor's certificate is prima *
63 facie evidence of the administrative rules in all courts and
64 proceedings. Except as provided in section 14.47, subdivision
65 6, a compilation or supplement shall not be construed as
66 repealing an unpublished rule. If there is any material
67 inconsistency through omission or otherwise between the first
68 compilation, a subsequent compilation or supplement, the state
69 register, and a rule filed with the secretary of state, and the
70 omission or change was not due to the provisions of section
71 14.47, subdivision 6 or the correction of an obvious error or
72 unintentional omission as required by subdivision 3, the rule
73 filed with the secretary shall prevail.

014*#39S

1 14.39 LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE
2 RULES; COMPOSITION; MEETINGS.

3 A legislative commission for review of administrative
4 rules, consisting of five senators appointed by the committee on
5 committees of the senate and five representatives appointed by
6 the speaker of the house of representatives shall be appointed.
7 The commission shall meet at the call of its ~~chairman~~ chair or *
8 upon a call signed by two of its members or signed by five *
9 members of the legislature. The office of chair of the *
10 legislative commission ~~chairmanship~~ shall alternate between the *
11 two houses of the legislature every two years.

014*#46S

12 14.46 PUBLICATION IN STATE REGISTER.

13 Subdivision 1. CONTENTS. The commissioner of
14 administration shall publish a state register containing all
15 notices for hearings concerning rules, giving time, place and
16 purpose of the hearing and the full text of the action being
17 proposed. Further, the register shall contain all rules,
18 amendments, suspensions, or repeals thereof, pursuant to the
19 provisions of this chapter. The commissioner shall further
20 publish any executive order issued by the governor which shall
21 become effective 15 days after publication except as provided in
22 section 4.035, subdivision 2. The commissioner shall further
23 publish any official notices in the register which a state
24 agency requests ~~him~~ to publish be published. Such notices shall *
25 include, but shall not be limited to, the date on which a new
26 agency becomes operational, the assumption of a new function by
27 an existing state agency, or the appointment of commissioners.
28 The commissioner may prescribe the form, excluding the form of
29 the rules, and manner in which agencies submit any material for
30 publication in the state register, and ~~he~~ may withhold *
31 publication of any material not submitted according to the form
32 or procedures ~~he has~~ prescribed. *

33 The commissioner of administration may organize and
34 distribute the contents of the register according to such
35 categories as will provide economic publication and distribution
36 and will offer easy access to information by any interested
37 party.

38 Subd. 2. FORM AND MANNER. The commissioner of
39 administration shall publish the state register whenever
40 necessary, except that no material properly submitted ~~to him~~ for *
41 publication shall remain unpublished for more than ten working
42 days.

43 The state register shall have a distinct and permanent
44 masthead with the title "state register" and the words "state of
45 Minnesota" prominently displayed. All issues of the state
46 register shall be numbered and dated.

47 To the extent that editing, composition, printing,
48 distribution or other work on the state register cannot be
49 performed in the department of administration, or it is
50 uneconomical to do so, the commissioner shall obtain competitive
51 bids and enter into contracts to have the services performed by
52 the lowest responsible bidder. The duration of any contracts
53 shall not exceed the end of the state's fiscal biennium.

54 No change for subd 3 to 5

014*#48S

55 14.48 CREATION OF OFFICE OF ADMINISTRATIVE HEARINGS;
56 CHIEF ADMINISTRATIVE LAW JUDGE APPOINTED; OTHER ADMINISTRATIVE
57 LAW JUDGES APPOINTED.

58 A state office of administrative hearings is created. The
59 office shall be under the direction of a chief administrative
60 law judge who shall be learned in the law and appointed by the
61 governor, with the advice and consent of the senate, for a term
62 ending on June 30 of the sixth calendar year after appointment.
63 Senate confirmation of the chief administrative law judge shall
64 be as provided by section 15.066. The chief administrative law
65 judge shall appoint additional administrative law judges and
66 compensation judges to serve in ~~his~~ the office as necessary to *
67 fulfill the duties prescribed in sections 14.48 to 14.56. The
68 chief administrative law judge may delegate to a subordinate
69 employee the exercise of a specified statutory power or duty as
70 deemed advisable, subject to the control of the chief
71 administrative law judge. Every delegation must be by written
72 order filed with the secretary of state. All administrative law
73 judges and compensation judges shall be in the classified
74 service except that the chief administrative law judge shall be

1 in the unclassified service, but may be removed ~~from-his~~ *
2 ~~position~~ only for cause. All administrative law judges shall *
3 have demonstrated knowledge of administrative procedures and
4 shall be free of any political or economic association that
5 would impair their ability to function officially in a fair and
6 objective manner. All workers' compensation judges shall be
7 learned in the law, shall have demonstrated knowledge of
8 workers' compensation laws and shall be free of any political or
9 economic association that would impair their ability to function
10 officially in a fair and objective manner.

014*#50S

11 14.50 HEARINGS BEFORE ADMINISTRATIVE LAW JUDGE.

12 All hearings of state agencies required to be conducted
13 under this chapter shall be conducted by an administrative law
14 judge assigned by the chief administrative law judge. All
15 hearings required to be conducted under chapter 176 shall be
16 conducted by a compensation judge assigned by the chief
17 administrative law judge. In assigning administrative law
18 judges or compensation judges to conduct such hearings, the
19 chief administrative law judge shall attempt to utilize
20 personnel having expertise in the subject to be dealt with in
21 the hearing. Only administrative law judges learned in the law
22 shall be assigned to contested case hearings. Only compensation
23 judges shall be assigned to workers' compensation matters. It
24 shall be the duty of the administrative law judge to: (1)
25 advise an agency as to the location at which and time during
26 which a hearing should be held so as to allow for participation
27 by all affected interests; (2) conduct only hearings for which
28 proper notice has been given; (3) see to it that all hearings
29 are conducted in a fair and impartial manner. Except in the
30 case of workers' compensation hearings involving claims for
31 compensation it shall also be the duty of the administrative law
32 judge to make a report on each proposed agency action in which
33 the administrative law judge functioned in an official capacity,
34 stating ~~his~~ findings of fact and ~~his~~ conclusions and *
35 recommendations, taking notice of the degree to which the agency
36 has (i) documented its statutory authority to take the proposed
37 action, (ii) fulfilled all relevant substantive and procedural
38 requirements of law or rule, and (iii) in rulemaking
39 proceedings, demonstrated the need for and reasonableness of its
40 proposed action with an affirmative presentation of facts.

014*#51S

41 14.51 PROCEDURAL RULES FOR HEARINGS.

42 The chief administrative law judge shall adopt rules to
43 govern the procedural conduct of all hearings, relating to both
44 rule adoption, amendment, suspension or repeal hearings,
45 contested case hearings, and workers' compensation hearings, and
46 to govern the conduct of voluntary mediation sessions for
47 rulemaking and contested cases other than those within the
48 jurisdiction of the bureau of mediation services. Temporary
49 rulemaking authority is granted to the chief administrative law
50 judge for the purpose of implementing Laws 1981, chapter 346,
51 sections 2 to 6, 103 to 122, 127 to 135, and 141. The
52 procedural rules for hearings shall be binding upon all agencies
53 and shall supersede any other agency procedural rules with which
54 they may be in conflict. The procedural rules for hearings
55 shall include in addition to normal procedural matters
56 provisions relating to recessing and reconvening new hearings
57 when the proposed final rule of an agency is substantially
58 different from that which was proposed at the public hearing.
59 The procedural rules shall establish a procedure whereby the
60 proposed final rule of an agency shall be reviewed by the chief
61 administrative law judge to determine whether or not a new
62 hearing is required because of substantial changes or failure of
63 the agency to meet the requirements of sections 14.13 to 14.18.
64 Upon ~~his~~ the chief administrative law judge's own initiative or *
65 upon written request of an interested party, the chief
66 administrative law judge may issue a subpoena for the attendance
67 of a witness or the production of books, papers, records or
68 other documents as are material to the matter being heard. The
69 subpoenas shall be enforceable through the district court in the
70 district in which the subpoena is issued.

014*#52S

71 14.52 COURT REPORTERS; AUDIO RECORDINGS.

72 The office of administrative hearings may maintain a court
73 reporter system and in addition to or in lieu thereof may

1 contract with nongovernmental sources for court reporter
 2 services. The court reporters may additionally be utilized as
 3 the chief administrative law judge directs. Unless the chief
 4 administrative law judge determines that the use of a court
 5 reporter is more appropriate, an audio magnetic recording device
 6 shall be used to keep a record at any hearing which takes place
 7 under this chapter. In all cases, the chief administrative law
 8 judge shall use audio magnetic recording devices to keep the
 9 record of hearings except when there are more than two primary
 10 parties in a case and the chief administrative law judge
 11 determines that the use of a court reporter is more
 12 appropriate. If the chief administrative law judge determines
 13 that the use of a court reporter is more appropriate, the cost
 14 of the court reporter shall be paid by the state. If the chief
 15 administrative law judge determines that the use of an audio
 16 magnetic recording device is more appropriate in a hearing, any
 17 party to that hearing may provide a court reporter at the
 18 party's expense. Court reporters provided by a party shall be
 19 selected from the chief administrative law judge's list of
 20 nongovernmental sources.

21 The fee charged by a court reporter to a party shall not
 22 exceed the fee which would be charged to the state pursuant to
 23 the court reporter's contract with the state.

24 Court reporters serving in the court reporter system of the
 25 office of administrative hearings shall be in the classified
 26 service. Notwithstanding the provisions of section 15.17,
 27 subdivision 4, copies of transcriptions of hearings conducted
 28 pursuant to sections 14.48 to 14.56 may be obtained only through
 29 the office of administrative hearings.

30 The departmental and classification seniority of an
 31 individual who was employed as a court reporter in state service
 32 prior to ~~his~~ appointment as a court reporter in the office of *
 33 administrative hearings pursuant to Laws 1975, chapter 380,
 34 section 16, shall carry forward and be credited to ~~his~~ the *
 35 individual's employment with the office of administrative *
 36 hearings.

014*#56S

37 14.56 EMPLOYEES TRANSFERRED.

38 In consultation and agreement with the chief administrative
 39 law judge, the commissioner of administration shall pursuant to
 40 authority vested given in ~~him~~-by section 16B.37, transfer from *
 41 state agencies, such employees as ~~he~~ the commissioner deems *
 42 necessary to the state office of administrative hearings. Such
 43 action shall include the transfer of any state employee
 44 currently employed as an administrative law judge, if the
 45 employee qualifies under sections 14.48 to 14.56.

014*#62S

46 14.62 DECISIONS, ORDERS.

47 Subdivision 1. WRITING REQUIRED. Every decision and
 48 order rendered by an agency in a contested case shall be in
 49 writing, shall be based on the record and shall include the
 50 agency's findings of fact and conclusions on all material
 51 issues. A copy of the decision and order shall be served upon
 52 each party or ~~his~~ the party's representative and the *
 53 administrative law judge by first class mail.

54 No change for subd 2

015*#014S

55 15.014 ADVISORY TASK FORCES.

56 No change for subd 1

57 Subd. 2. CREATION; LIMITATIONS. A commissioner of a
 58 state department, a state board or other agency having the
 59 powers of a board as defined in section 15.012, may create
 60 advisory task forces to advise the commissioner or agency on
 61 specific programs or topics within the jurisdiction of the
 62 department or agency. A task force so created shall have no
 63 more than 15 members. The task force shall expire and the terms
 64 and removal of members shall be as provided in section 15.059,
 65 subdivision 6. The members of no more than four task forces
 66 created pursuant to this section in a department or agency may
 67 be paid expenses in the same manner and amount as authorized by
 68 the commissioner's plan adopted according to section 43A.18,
 69 subdivision 2. No member of a task force shall be compensated
 70 for ~~his~~ services in a manner not provided for in statute. A *
 71 commissioner, board, council, committee, or other state agency
 72 may not create any other multi-member agency unless specifically
 73 authorized by statute or unless the creation of the agency is

1 authorized by federal law as a condition precedent to the
2 receipt of federal money.

3 No change for subd 3

015*#054S

4 15.054 PUBLIC EMPLOYEES NOT TO PURCHASE MERCHANDISE FROM
5 GOVERNMENTAL AGENCIES; EXCEPTIONS; PENALTY.

6 No officer or employee of the state or any of its political
7 subdivisions shall sell or procure for sale or ~~have-in-his~~ *
8 ~~possession~~ possess or control for sale to any other officer or *
9 employee of the state or the subdivision, as appropriate, any
10 property or materials owned by the state or subdivision except
11 pursuant to conditions provided in this section. Property or
12 materials owned by the state or a subdivision, except real
13 property, and not needed for public purposes, may be sold to an
14 employee of the state or the subdivision after reasonable public
15 notice at public auction or by sealed bid if the employee is the
16 highest responsible bidder and ~~if-he~~ is not directly involved in *
17 the auction or sealed bid process. Requirements for reasonable
18 public notice may be prescribed by other law or ordinance so
19 long as at least one week's published or posted notice is
20 specified. A state employee may purchase no more than one motor
21 vehicle from the state in any 12 month period. A person
22 violating the provisions of this section is guilty of a
23 misdemeanor. This section shall not apply to the sale of
24 property or materials acquired or produced by the state or
25 subdivision for sale to the general public in the ordinary
26 course of business. Nothing in this section shall prohibit an
27 employee of the state or a political subdivision from selling or
28 ~~having-in-his-possession~~ possessing for sale public property if *
29 the sale or possession for sale is in the normal course of the
30 employee's duties.

015*#0575S

31 15.0575 ADMINISTRATIVE BOARDS AND AGENCIES.

32 No change for subd 1 to 3

33 Subd. 4. REMOVAL; VACANCIES. A member may be
34 removed by the appointing authority at any time (1) for cause,
35 after notice and hearing, or (2) after missing three consecutive
36 meetings. The ~~chairman~~ chair of the board shall inform the *
37 appointing authority of a member missing the three consecutive
38 meetings. After the second consecutive missed meeting and
39 before the next meeting, the secretary of the board shall notify
40 the member in writing that ~~he~~ the member may be removed ~~if-he~~ *
41 ~~misses~~ for missing the next meeting. In the case of a vacancy on *
42 the board, the appointing authority shall appoint, subject to
43 the advice and consent of the senate if the member is appointed
44 by the governor, a person to fill the vacancy for the remainder
45 of the unexpired term.

46 No change for subd 5

015*#059S

47 15.059 ADVISORY COUNCILS AND COMMITTEES.

48 No change for subd 1 to 3

49 Subd. 4. REMOVAL. A member may be removed by the
50 appointing authority at any time at the pleasure of the
51 appointing authority. The ~~chairman~~ chair of the advisory *
52 council or committee shall inform the appointing authority of a
53 member missing the three consecutive meetings. After the second
54 consecutive missed meeting and before the next meeting, the
55 secretary of the council or committee shall notify the member in
56 writing that ~~he~~ the member may be removed ~~if-he-misses~~ for *
57 missing the next meeting. In the case of a vacancy on the *
58 board, the appointing authority shall appoint a person to fill
59 the vacancy for the remainder of the unexpired term.

60 No change for subd 5 to 6

015*#0593S

61 15.0593 AGENCIES CREATED BY EXECUTIVE ORDER.

62 The governor may by executive order create in ~~his~~ the *
63 governor's office advisory task forces, councils and committees *
64 to advise or assist ~~him~~ on matters relating to the laws of this *
65 state. A task force, council or committee so created shall have
66 no more than 15 members, and vacancies may be filled by the
67 governor. Members of a task force, council or committee shall
68 receive no per diem but may be paid expenses as authorized by
69 the commissioner's plan adopted according to section 43A.18,
70 subdivision 2. A task force, council or committee shall expire
71 two years after the date of order unless otherwise specified
72 consistent with section 4.035, subdivision 3. The task force,

1 council or committee shall be named beginning with the prefix
 2 "Governor's Task Force on," "Governor's Council on" or
 3 "Governor's Committee on." The governor shall not create a
 4 board, commission, authority or other similar multi-member
 5 agency except as provided in this section. A multi-member
 6 agency previously created by executive order shall be renamed
 7 and shall be consistent with the provisions of this section.
 8 Nothing in this section shall apply, to the extent inconsistent
 9 with statute or federal law, to any multi-member agency
 10 specifically authorized by statute or specifically authorized by
 11 federal law as a condition precedent to the receipt of federal
 12 moneys.

015*#0597S

13 15.0597 APPOINTMENTS TO MULTIMEMBER AGENCIES.

14 No change for subd 1

15 Subd. 2. COLLECTION OF DATA. The ~~chairman~~ chair of *
 16 an existing agency, or the appointing authority for the members
 17 of a newly created agency, shall provide the secretary, on forms
 18 prepared and distributed by the secretary, with the following
 19 data pertaining to that agency:

20 (a) The name of the agency, its mailing address, and
 21 telephone number;

22 (b) The legal authority for the creation of the agency and
 23 the name of the person appointing agency members;

24 (c) The powers and duties of the agency;

25 (d) The number of authorized members, together with any
 26 prescribed restrictions on eligibility such as employment
 27 experience or geographical representation;

28 (e) The dates of commencement and expiration of the
 29 membership terms and the expiration date of the agency, if any;

30 (f) The compensation of members, and appropriations or
 31 other funds available to the agency;

32 (g) The regular meeting schedule, if any, and approximate
 33 number of hours per month of meetings or other activities
 34 required of members;

35 (h) The roster of current members, including mailing
 36 addresses and telephone numbers; and

37 (i) A breakdown of the membership showing distribution by
 38 county and legislative district, and, only if the member has
 39 voluntarily supplied the information, the sex, political party
 40 preference or lack thereof, race and national origin of the
 41 members.

42 Subd. 3. PUBLICATION OF AGENCY DATA. The secretary
 43 of state shall provide for annual updating of the required data
 44 and shall annually arrange for the publication in the state
 45 register of the compiled data from all agencies on or about
 46 November 15 of each year. Copies of the compilation shall be
 47 delivered to the governor and the legislature. Copies of the
 48 compilation shall be made available by the secretary to any
 49 interested person at cost, and copies shall be available for
 50 viewing by interested persons. The ~~chairman~~ chair of an agency *
 51 who does not submit data required by this section or who does *
 52 not notify the secretary of a vacancy in ~~his~~ the agency, shall *
 53 not be eligible for a per diem or expenses in connection with
 54 agency service until December 1 of the following year.

55 Subd. 4. NOTICE OF VACANCIES. The ~~chairman~~ chair of *
 56 an existing agency, shall notify the secretary of a vacancy
 57 scheduled to occur in the agency as a result of the expiration
 58 of membership terms at least 45 days before the vacancy occurs.
 59 The ~~chairman~~ chair of an existing agency shall give written *
 60 notification to the secretary of each vacancy occurring as a
 61 result of newly created agency positions and of every other
 62 vacancy occurring for any reason other than the expiration of
 63 membership terms as soon as possible upon learning of the
 64 vacancy and in any case within 15 days after the occurrence of
 65 the vacancy. The appointing authority for newly created
 66 agencies shall give written notification to the secretary of all
 67 vacancies in the new agency within 15 days after the creation of
 68 the agency. Every 21 days, the secretary shall publish in the
 69 state register a list of all vacancies of which the secretary
 70 has been so notified. Only one notice of a vacancy shall be so
 71 published, unless the appointing authority rejects all
 72 applicants and requests the secretary to republish the notice of
 73 vacancy. One copy of the listing shall be made available at the
 74 office of the secretary to any interested person. The secretary
 75 shall distribute by mail copies of the listings to requesting

1 persons. The listing for all vacancies scheduled to occur in
2 the month of January shall be published in the state register
3 together with the compilation of agency data required to be
4 published pursuant to subdivision 3.

5 Subd. 5. NOMINATIONS FOR VACANCIES. Any person may
6 ~~nominate-himself-to-be-appointed~~ make a self-nomination for *
7 appointment to an agency vacancy by completing an application on *
8 a form prepared and distributed by the secretary. Any person or
9 group of persons may, on the prescribed application form,
10 nominate another person to be appointed to a vacancy so long as
11 the person so nominated consents in writing on the application
12 form to the nomination. The application form shall specify the
13 nominee's name, mailing address, telephone number, preferred
14 agency position sought, a statement that the nominee satisfies
15 any legally prescribed qualifications, and any other information
16 the nominating person feels would be helpful to the appointing
17 authority. ~~The-application-form-shall-permit-the-nominating~~ *
18 ~~person-at-his-discretion-to-indicate~~ The nominating person has *
19 the option of indicating the nominee's sex, political party *
20 preference or lack thereof, race and national origin on the *
21 application form. The application form shall make the option *
22 known. If a person submits an application at the suggestion of *
23 an appointing authority, the person shall so indicate on the
24 application form. Twenty-one days after publication of a
25 vacancy in the state register pursuant to subdivision 4, the
26 secretary shall submit copies of all applications received for a
27 position to the appointing authority charged with filling the
28 vacancy. If no applications have been received by the secretary
29 for the vacant position by the date ~~he-is-required-to-submit~~ *
30 when copies must be submitted to the appointing authority, he *
31 the secretary shall so inform the appointing authority. *
32 Applications received by the secretary shall be deemed to have
33 expired one year after receipt of the application. An
34 application for a particular agency position shall be deemed to
35 be an application for all vacancies in that agency occurring
36 prior to the expiration of the application and shall be public
37 information.

38 No change for subd 6 to 7

39 Subd. 8. TRANSFER OF ADMINISTRATIVE FUNCTIONS. ~~if~~ *
40 The commissioner of administration with the approval of the *
41 governor ~~determines~~ may determine that the administration of the *
42 open appointment process provided for in this section more *
43 properly belongs in another agency of the state, ~~he.~~ On making *
44 that determination, the commissioner may, on or after July 1, *
45 1981, transfer this function to that agency by reorganization
46 order.

015*#06S

47 15.06 APPOINTMENT OF DEPARTMENT HEADS; TERMS; DEPUTIES.

48 No change for subd 1

49 Subd. 2. TERM OF OFFICE; SUCCESSOR. The term of a
50 commissioner shall end with the term of the office of governor.
51 If the appointing authority is the governor, the term shall end
52 on the date the governor who appointed the commissioner vacates
53 his office. The appointing authority shall submit to the *
54 president of the senate the name of an appointee as permanent
55 commissioner as provided by section 15.066, subdivision 2,
56 within 45 legislative days after the end of the term of a
57 commissioner and within 45 legislative days after the occurrence
58 of a vacancy. The appointee shall take office as permanent
59 commissioner when the senate notifies the appointing authority
60 that it has consented to the appointment. A commissioner shall
61 serve at the pleasure of the appointing authority.

62 No change for subd 3

63 Subd. 4. END OF TERM; VACANCY; ACTING COMMISSIONER.

64 The purpose of this subdivision is to provide alternative means
65 whereby an appointing authority may designate a person other
66 than a temporary commissioner to serve as acting commissioner
67 until advice and consent of the senate is received in respect to
68 a permanent appointee. These alternative means include the
69 following:

70 (1) At the end of the term of a commissioner, the incumbent
71 commissioner may at the discretion of the appointing authority
72 serve as acting commissioner until ~~his~~ a successor is appointed *
73 and qualifies.

74 (2) An appointing authority may appoint a person other than
75 a deputy to serve as acting commissioner and to replace any

1 other acting or temporary commissioner designated pursuant to
2 subdivisions 3 or 4.

3 (3) Prior to the advice and consent of the senate, the
4 appointing authority may designate the permanent appointee as
5 commissioner.

6 Subd. 5. EFFECT OF DESIGNATION OF ACTING OR TEMPORARY
7 COMMISSIONER. A person who is designated acting commissioner
8 or temporary commissioner pursuant to subdivisions 3 or 4 shall
9 immediately have all the powers and emoluments and perform all
10 the duties of the office. A person who is designated permanent
11 commissioner shall have all the powers and may perform all the
12 duties of the office upon receipt of the letter of appointment
13 by the president of the senate pursuant to section 15.066. Upon
14 the appointment of a permanent commissioner or acting
15 commissioner to succeed any other acting or temporary
16 commissioner, the subsequent appointee shall immediately take
17 the place of any other acting or temporary commissioner. No
18 person shall serve as a permanent commissioner or acting
19 commissioner after the senate has voted to refuse to consent to
20 ~~his~~ the person's appointment as permanent commissioner. Notice *
21 of the designation of a commissioner or acting commissioner, or *
22 the assumption of office by a temporary commissioner, shall be *
23 filed with the president of the senate and the speaker of the *
24 house with a copy delivered to the secretary of state and *
25 published in the next available edition of the State Register.

26 Subd. 6. GENERAL POWERS OF COMMISSIONERS. Except as
27 otherwise expressly provided by law, a commissioner shall have
28 the following powers:

29 (1) To delegate to any ~~of-his~~ subordinate ~~employees~~ *
30 employee the exercise of ~~his~~ specified statutory powers or *
31 duties as ~~he~~ the commissioner may deem advisable, subject to ~~his~~ *
32 the commissioner's control; provided, that every delegation *
33 shall be made by written order, filed with the secretary of *
34 state; and further provided that only a deputy commissioner may
35 have all the powers or duties of the commissioner;

36 (2) To appoint all subordinate employees and to prescribe
37 their duties; provided, that all departments and agencies shall
38 be subject to the provisions of chapter 43A;

39 (3) With the approval of the commissioner of
40 administration, to organize ~~his~~ the department or agency as ~~he~~ *
41 ~~may-deem~~ deemed advisable in the interest of economy and *
42 efficiency; and

43 (4) To prescribe procedures for the internal management of
44 ~~his~~ the department or agency to the extent that the procedures *
45 do not directly affect the rights of or procedure available to
46 the public.

47 Subd. 7. DEPUTY COMMISSIONER. For purposes of this
48 section, a "deputy commissioner" shall also include a "deputy
49 director" when the department head bears the title "director".
50 A deputy commissioner of a department or agency specified in
51 subdivision 1 shall be in the unclassified civil service and
52 shall be immediately subordinate to the commissioner. ~~He~~ The *
53 deputy commissioner shall have all the powers and authority of *
54 the commissioner unless the commissioner directs otherwise, and *
55 ~~he~~ shall speak for the commissioner within and without the *
56 department or agency. The primary duty of a deputy shall be to
57 assist the commissioner in the general management of the entire
58 department or agency or of major parts thereof, and shall not
59 consist of operating single functional areas. A deputy
60 commissioner serves at the pleasure of the commissioner.

61 No change for subd 8 to 9

015*#08S

62 15.08 COMMISSIONERS OF FINANCE AND ADMINISTRATION;
63 ACCESS TO RECORDS.

64 The commissioner of finance and the commissioner of
65 administration and their designated agents shall have free
66 access to the records of all state departments and agencies, and
67 may issue subpoenas for and compel the attendance of witnesses
68 and the giving of testimony and the production of books,
69 records, accounts, documents, and papers; and may administer
70 oaths to witnesses or take their affirmation. If any person
71 shall fail or refuse to appear or testify regarding that upon
72 which ~~he~~ the person may be lawfully interrogated, or to produce *
73 any books, records, accounts, documents or papers material in *
74 the matter under consideration, after having been lawfully *
75 required by order or subpoena, any judge of the district court

1 in any county of the state where the order or subpoena was made
 2 returnable, on application of the commissioner of finance or
 3 commissioner of administration, as the case may be, shall compel
 4 obedience or punish disobedience as for contempt, as in the case
 5 of disobedience of a similar order or subpoena issued by such
 6 court.

015*#10S

7 15.10 RECORDS DELIVERED TO DEPARTMENT HEADS.
 8 The head of a department or other agency whose functions,
 9 powers, and duties are by Laws 1939, Chapter 431, assigned and
 10 transferred to another department or agency, shall transfer and
 11 deliver to such other department or agency all contracts, books,
 12 maps, plans, papers, records, and property of every description
 13 within ~~his~~ the department head's jurisdiction or control, and *
 14 shall also transfer thereto any or all employees engaged in the
 15 exercise of such functions, powers, or duties. The head of such
 16 other department or agency to which such assignment or transfer
 17 is made is hereby authorized to take possession of the property,
 18 and shall take charge of the employees and shall employ them in
 19 the exercise of their respective functions, powers, and duties
 20 transferred as aforesaid, without reduction of compensation;
 21 subject to change or termination of employment or compensation
 22 as may be otherwise provided by law.

015*#16S

23 15.16 TRANSFER OF LANDS BETWEEN DEPARTMENTS.
 24 No change for subd 1 to 4
 25 Subd. 5. OBTAINING RECOMMENDATION. No control of
 26 state-owned lands shall be transferred between state departments
 27 without first consulting the ~~chairmen~~ chairs of the senate *
 28 finance committee and house of representatives appropriations
 29 committee and obtaining their recommendations. The
 30 recommendations shall be advisory only. Failure to obtain a
 31 prompt recommendation shall be deemed a negative recommendation.

015*#161S

32 15.161 ACCEPTANCE OF FEDERAL LANDS OR BUILDINGS;
 33 CONSULTATION WITH LEGISLATIVE COMMITTEES.
 34 The head of a state department or agency shall consult with
 35 the ~~chairman~~ chair of the house appropriations committee and the *
 36 ~~chairman~~ chair of the senate finance committee before accepting *
 37 any federal land or buildings thereon or any interest therein
 38 which is declared surplus by federal authorities and obtaining a
 39 recommendation thereon which shall be advisory only. Failure to
 40 obtain a recommendation thereon promptly shall be deemed a
 41 negative recommendation.

015*#17S

42 15.17 OFFICIAL RECORDS.
 43 Subdivision 1. MUST BE KEPT. All officers and
 44 agencies of the state, counties, cities, towns, school
 45 districts, municipal subdivisions or corporations, or other
 46 public authorities or political entities within the state,
 47 hereinafter "public officer", shall make and preserve all
 48 records necessary to a full and accurate knowledge of their
 49 official activities. All government records shall be made on a
 50 physical medium of a quality to insure permanent records. Every
 51 public officer, is empowered to reproduce records by any
 52 photographic, photostatic, microphotographic, or microfilming
 53 means which produces copies meeting archival standards specified
 54 by the Minnesota historical society and which clearly and
 55 accurately reproduces the records. Each public officer may
 56 order that those photographs, photostats, microphotographs,
 57 microfilms, or other reproductions, be substituted for the
 58 originals of them. ~~He~~ The public officer may direct the *
 59 destruction or sale for salvage or other disposition of the
 60 originals from which they were made, in accordance with the
 61 disposition requirements of section 138.17. Photographs,
 62 photostats, microphotographs, microfilms, or other reproductions
 63 shall for all purposes be deemed the original recording of the
 64 papers, books, documents and records reproduced when so ordered
 65 by any public officer and shall be admissible as evidence in all
 66 courts and proceedings of every kind. A facsimile or
 67 exemplified or certified copy of a photograph, photostat,
 68 microphotograph, microfilm, or other reproduction, or an
 69 enlargement or reduction of it, shall have the same effect and
 70 weight as evidence as would a certified or exemplified copy of
 71 the original.

72 No change for subd 2

1 Subd. 3. DELIVERY TO SUCCESSOR. Every legal
 2 custodian of government records, at the expiration of his that *
 3 official's term of office or authority, or on his the official's *
 4 death his a legal representative, shall deliver to his a *
 5 successor in office all government records in his custody; and *
 6 the successor shall receipt therefor to his the predecessor or *
 7 his legal representative and shall file in his the office a *
 8 signed acknowledgment of the delivery. Every public officer *
 9 shall demand from his a predecessor in office, or his the *
 10 predecessor's legal representative, the delivery of all *
 11 government records belonging to his the office. *

12 No change for subd 4

015*#172S

13 15.172 APPROVAL OF ALTERNATE METHOD.
 14 At least 90 days prior to the date upon which he-proposes *
 15 it is proposed to put into effect an alternate method of *
 16 compilation, maintenance, and storage of records, the public *
 17 official shall submit a description of the proposed method and *
 18 the reasons for adopting it to the commissioner of *
 19 administration. ~~if-the-commissioner-of-administration-finds~~ On *
 20 finding that the proposed method complies with the conditions *
 21 specified in section 15.171, he the commissioner of *
 22 administration shall approve its use; ~~if-not,-he~~ on finding *
 23 otherwise, the commissioner shall disapprove its use. A failure *
 24 of the commissioner of administration to act before the date *
 25 upon which the public official proposes to put the alternative *
 26 method into effect shall be deemed a disapproval of that method.

015*#173S

27 15.173 NOTICE OF ALTERNATIVE METHOD.
 28 Whenever The commissioner of administration approves, on *
 29 approving an alternate method of compilation, maintenance and *
 30 storage, he shall maintain a written notice of that approval, *
 31 the date of taking effect of the alternate method, a description *
 32 of the method and the reasons for its adoption in his the *
 33 commissioner's office as a public record. In the case of a *
 34 record having less than statewide significance, the public *
 35 official having jurisdiction over the records shall file a *
 36 written notice containing the same information as the notice *
 37 maintained by the commissioner of administration with the county *
 38 auditor, clerk or other similar recording officer of the *
 39 affected governmental subdivision and such notices shall also be *
 40 maintained as public records.

015*#38S

41 15.38 NONINSURANCE OF STATE PROPERTY; EXCEPTIONS.

42 No change for subd 1

43 Subd. 2. STILLWATER PRISON. The commissioner of
 44 corrections ~~is-authorized-in-his-discretion-to~~ may insure the *
 45 state of Minnesota against loss by fire or tornado to the *
 46 Minnesota correctional facility-Stillwater, or the contents *
 47 thereof, in any insurance companies licensed to do business in *
 48 this state, in such an amount as he the commissioner may from *
 49 time to time determine and to pay the premiums therefor from the *
 50 revolving fund of the institution.

51 No change for subd 3 to 5

015*#39S

52 15.39 ECONOMIC SECURITY DEPARTMENT BUILDINGS.

53 Subdivision 1. Notwithstanding the provisions of section
 54 15.38, or any other law to the contrary, the commissioner of the
 55 department of economic security of the state of Minnesota may
 56 insure the state of Minnesota against loss by fire, flood,
 57 windstorm, or tornado to state owned buildings occupied by said
 58 department, in any insurance companies licensed to do business *
 59 in this state in such an amount as he the commissioner may from *
 60 time to time determine and to pay premiums therefor from federal *
 61 funds granted for the administration of the department of
 62 economic security.

63 No change for subd 2

015*#43S

64 15.43 ACCEPTANCE OF ADVANTAGE BY STATE EMPLOYEE; PENALTY.

65 No change for subd 1 to 2

66 Subd. 3. OTHER EXEMPTIONS. The commissioners of
 67 human services and corrections, and the chancellors of the state
 68 university and community college systems may by rule prescribe
 69 procedure for the acceptance of gifts from any person or
 70 organization, provided that such gifts are accepted by the
 71 commissioner or chancellor, or his a designated representative *

1 of the commissioner or chancellor, and that such gifts are used *
2 solely for the direct benefit of patients, inmates or students
3 under the jurisdiction of the accepting state officer.

4 No change for subd 4

015*#46S

5 15.46 PREVENTIVE HEALTH SERVICES FOR STATE EMPLOYEES.

6 The commissioner may establish and operate a program of
7 preventive health services for state employees, and shall
8 provide such staff, equipment, and facilities as are necessary
9 therefor. The commissioner shall develop these services in
10 accordance with and limited to the accepted practices of and
11 standards for occupational preventive health services in the
12 state of Minnesota. Specific services shall be directed to the
13 work environment and to the health of the employee in relation
14 to ~~his~~ the job. The commissioner shall cooperate with private *
15 and public community agencies providing health, safety,
16 employment, and welfare services.

015*#50S

17 15.50 CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD.

18 Subdivision 1. (a) The legislature finds that the purposes
19 of the board are to (1) preserve and enhance the dignity, beauty
20 and architectural integrity of the capitol, the buildings
21 immediately adjacent to it, the capitol grounds, and the capitol
22 area; (2) protect, enhance, and increase the open spaces within
23 the capitol area when deemed necessary and desirable for the
24 improvement of the public enjoyment thereof; (3) develop proper
25 approaches to the capitol area for pedestrian movement, the
26 highway system, and mass transit system so that the area
27 achieves its maximum importance and accessibility; and (4)
28 establish a flexible framework for growth of the capitol
29 buildings which will be in keeping with the spirit of the
30 original design.

31 (b) The capitol area architectural and planning board,
32 herein referred to as the board, consists of ten members. The
33 lieutenant governor shall be a member of the board. Four
34 members shall be appointed by the governor; three members, one
35 of whom shall be a resident of the district planning council
36 area containing the capitol area, shall be appointed by the
37 mayor of the city of Saint Paul, with the advice and consent of
38 the city council. The speaker of the house shall appoint a
39 member of the house of representatives and the president of the
40 senate shall appoint one senator to be members of the board.
41 Each person appointed to the board shall qualify by taking the
42 oath of office.

43 (c) The lieutenant governor is the ~~chairman~~ chair of the *
44 board. The attorney general is the legal advisor to the board.
45 The board may elect a ~~vice-chairman~~ vice-chair who may preside *
46 at meetings in the absence of the lieutenant governor and such
47 other officers as it may deem necessary to carry out its duties.

48 (d) The board shall select an executive secretary to serve
49 the board. It may employ such other officers and employees as
50 it may deem necessary all of whom shall be in the classified
51 service of the state civil service. The board may contract for
52 professional and other similar service on such terms as it may
53 deem desirable.

54 Subd. 2. (a) The board shall prepare, prescribe, and from
55 time to time amend a comprehensive use plan for the capitol
56 area, herein called the area which shall initially consist of
57 that portion of the city of Saint Paul comprehended within the
58 following boundaries: Beginning at the point of intersection of
59 the centerline of the Arch-Pennsylvania freeway and the
60 centerline of Marion Street, thence southerly along the
61 centerline of Marion Street to the south line of the
62 right-of-way of Interstate Highway 94, thence easterly along the
63 south line to the centerline of John Ireland Boulevard, thence
64 southwesterly along the centerline of John Ireland Boulevard to
65 the centerline of the junction of Dayton Avenue, Kellogg
66 Boulevard, and Summit Avenue, thence easterly along the
67 centerline of Summit Avenue to the centerline of Sixth Street,
68 thence southeasterly along the centerline of Sixth Street to the
69 centerline of College Avenue, thence northeasterly along the
70 centerline of College Avenue extended to the centerline of Rice
71 Street, thence northwesterly along the centerline of Rice Street
72 to the centerline of Summit Avenue, thence northerly along a
73 line extended to the north line of the right-of-way of
74 Interstate Highway 94, thence easterly along the north line to

1 the centerline of Cedar Street, thence southeasterly along the
 2 centerline of Cedar Street to the centerline of Tenth Street,
 3 thence northeasterly along the centerline of Tenth Street to the
 4 centerline of Minnesota Street, thence northwesterly along the
 5 centerline of Minnesota Street to the centerline of Eleventh
 6 Street, thence northeasterly along the centerline of Eleventh
 7 Street to the centerline of Jackson Street, thence northwesterly
 8 along the centerline of Jackson Street to the centerline of the
 9 Arch-Pennsylvania freeway extended, thence westerly along the
 10 centerline of the Arch-Pennsylvania freeway extended and Marion
 11 Street to the point of origin. Pursuant to the comprehensive
 12 plan, or any portion thereof, the board may regulate, by means
 13 of zoning regulations adopted pursuant to the administrative
 14 procedure act, the kind, character, height, and location, of
 15 buildings and other structures constructed or used, the size of
 16 yards and open spaces, the percentage of lots that may be
 17 occupied, and the uses of land, buildings and other structures,
 18 within the area. To protect and enhance the dignity, beauty and
 19 architectural integrity of the capitol area, the board is
 20 further empowered to include in its zoning rules design review
 21 procedures and standards with respect to any proposed
 22 construction activities in the capitol area significantly
 23 affecting the dignity, beauty and architectural integrity of the
 24 area. No person shall undertake these construction activities
 25 as defined in the board's rules in the capitol area ~~unless he~~
 26 ~~has without~~ first ~~submitted~~ submitting construction plans to the
 27 board, obtained a zoning permit from the board and received a
 28 written certification from the board specifying that ~~he the~~
 29 person has complied with all design review procedures and
 30 standards. Violation of the zoning regulations is a
 31 misdemeanor. The board may, at its option, proceed to abate any
 32 violation by injunction. The board and the city of St. Paul
 33 shall cooperate in assuring that the area adjacent to the
 34 capitol area is developed in a manner that is in keeping with
 35 the purpose of the board and the provisions of the comprehensive
 36 plan.

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37 (b) The commissioner of administration shall act as a
 38 consultant to the board with regard to the physical structural
 39 needs of the state. ~~He~~ The commissioner shall make studies and
 40 report the results to the board when they request ~~him-to-do-so~~
 41 reports for their planning purpose.

*
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*

42 (c) No public building, street, parking lot, or monument,
 43 or other construction shall be built or altered on any public
 44 lands within the area unless the plans for the same conforms to
 45 the comprehensive use plan as specified in clause (d) and to the
 46 requirement for competitive plans as specified in clause (e).
 47 No alteration substantially changing the external appearance of
 48 any existing public building approved in the comprehensive plan
 49 or the exterior or interior design of any proposed new public
 50 building the plans for which were secured by competition under
 51 clause (e), may be made without the prior consent of the board.
 52 The commissioner of administration shall consult with the board
 53 regarding internal changes having the effect of substantially
 54 altering the architecture of the interior of any proposed
 55 building.

56 (d) The comprehensive plan shall show the existing land
 57 uses and recommend future uses including: areas for public
 58 taking and use; zoning for private land and criteria for
 59 development of public land, including building areas and open
 60 spaces; vehicular and pedestrian circulation; utilities systems;
 61 vehicular storage; elements of landscape architecture. No
 62 substantial alteration or improvement shall be made to public
 63 lands or buildings in the area save with the written approval of
 64 the board.

65 (e) The board shall secure by competitions, plans for any
 66 new public building. Plans for any comprehensive plan,
 67 landscaping scheme, street plan, or property acquisition, which
 68 may be proposed, or for any proposed alteration of any existing
 69 public building, landscaping scheme or street plan may be
 70 secured by a similar competition. Such competition shall be
 71 conducted under rules prescribed by the board and may be of any
 72 type which meets the competition standards of the American
 73 Institute of Architects. Designs selected shall become the
 74 property of the state of Minnesota and the board may award one
 75 or more premiums in each such competition and may pay such costs
 76 and fees as may be required for the conduct thereof. At the

1 option of the board, plans for projects estimated to cost less
 2 than \$1,000,000 may be approved without competition provided
 3 such plans have been considered by the advisory committee
 4 described in clause (f). Plans for projects estimated to cost
 5 less than \$400,000 and for construction of streets need not be
 6 considered by the advisory committee if in conformity with the
 7 comprehensive plan.

8 (f) The board shall not adopt any plan under clause (e)
 9 unless it first receives the comments and criticism of an
 10 advisory committee of three persons, each of whom is either an
 11 architect or a planner, who have been selected and appointed as
 12 follows: one by the board of the arts, one by the board, and
 13 one by the Minnesota Society of the American Institute of
 14 Architects. Members of the committee shall not be contestants
 15 under clause (e). The comments and criticism shall be a matter
 16 of public information. The committee shall advise the board on
 17 all architectural and planning matters. For that purpose:

18 (1) the committee shall be kept currently informed
 19 concerning, and have access to, all data, including all plans,
 20 studies, reports and proposals, relating to the area as the same
 21 are developed or in the process of preparation whether by the
 22 commissioner of administration, the commissioner of energy and
 23 economic development, the metropolitan council, the city of
 24 Saint Paul, or by any architect, planner, agency or
 25 organization, public or private, retained by the board or not
 26 retained and engaged in any work or planning relating to the
 27 area. A copy of any such data prepared by any public employee
 28 or agency shall be filed with the board promptly upon completion;

29 (2) the board may employ such stenographic or technical
 30 help as may be reasonable to assist the committee to perform its
 31 duties;

32 (3) when so directed by the board, the committee may serve
 33 as, and any member or members thereof may serve on, the jury or
 34 as professional advisor for any architectural competition. The
 35 board shall select the architectural advisor and jurors for any
 36 competition with the advice of the committee and

37 (4) the city of St. Paul shall advise the board.

38 (g) The comprehensive plan for the area shall be developed
 39 and maintained in close cooperation with the commissioner of
 40 energy and economic development and the planning department and
 41 the council for the city of Saint Paul and the board of the
 42 arts, and no such plan or amendment thereof shall be effective
 43 without 90 days' notice to the planning department of the city
 44 of Saint Paul and the board of the arts.

45 (h) The board and the commissioner of administration
 46 jointly, shall prepare, prescribe, and from time to time revise
 47 standards and policies governing the repair, alteration,
 48 furnishing, appearance and cleanliness of the public and
 49 ceremonial areas of the state capitol building. Pursuant to
 50 this power, the board shall consult with and receive advice from
 51 the director of the Minnesota state historical society and
 52 ~~receive-his-advice~~ regarding the historic fidelity of plans for
 53 the capitol building. The standards and policies developed as
 54 herein provided shall be binding upon the commissioner of
 55 administration. The provisions of sections 14.02, 14.04 to
 56 14.36, 14.38, and 14.44 to 14.45 shall not apply to this clause.

57 (i) The board in consultation with the commissioner of
 58 administration shall prepare and submit to the legislature and
 59 the governor no later than October 1 of each even-numbered year
 60 a report on the status of implementation of the comprehensive
 61 plan together with a program for capital improvements and site
 62 development, and the commissioner of administration shall
 63 provide the necessary cost estimates for the program.

64 (j) The state shall, by the attorney general upon the
 65 recommendation of the board and within appropriations available
 66 for that purpose, acquire by gift, purchase or eminent domain
 67 proceedings any real property situated in the area described in
 68 this section and it shall also have the power to acquire an
 69 interest less than a fee simple interest in the property, if it
 70 finds that it is needed for future expansion or beautification
 71 of the area.

72 (k) The board is the successor of the state veterans'
 73 service building commission, and as such may adopt regulations
 74 and may reenact the regulations adopted by its predecessor under
 75 Laws 1945, chapter 315, and acts amendatory thereof.

76 (l) The board shall meet at the call of the chairman chair

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 *

*

1 and at such other times as it may prescribe.
 2 (m) The commissioner of administration shall assign
 3 quarters in the state veterans service building to (1) the
 4 department of veterans affairs of which such part as the
 5 commissioner of administration and commissioner of veterans
 6 affairs may mutually determine shall be on the first floor above
 7 the ground and (2) the American Legion, Veterans of Foreign
 8 Wars, Disabled American Veterans, Military Order of the Purple
 9 Heart, United Spanish War Veterans, and Veterans of World War I,
 10 and their auxiliaries, incorporated, or when incorporated, under
 11 the laws of the state, and (3) as space becomes available to
 12 such other state departments and agencies as ~~he~~ the commissioner
 13 may deem desirable. *

14 No change for subd 2a to 7

015*#54S

15 15.54 STATUS OF EMPLOYEES OF THIS STATE.

16 No change for subd 1 to 2

17 Subd. 3. Any employee who participates in an exchange
 18 under the terms of this section who suffers disability or death
 19 as a result of personal injury arising out of and in the course
 20 of an exchange, or sustained in performance of duties in
 21 connection therewith, shall be treated, for the purposes of the
 22 sending agency's employee compensation program, as an employee,
 23 as defined in such act, who has sustained such injury in the
 24 performance of such duty, but shall not receive benefits under
 25 that act for any period for which ~~he~~ the employee is entitled to
 26 and elects to receive similar benefits under the receiving
 27 agency's employee compensation program. *

015*#56S

28 15.56 STATUS OF EMPLOYEES OF OTHER GOVERNMENTS.

29 No change for subd 1 to 3

30 Subd. 4. Any employee of a sending agency assigned in this
 31 state who suffers disability or death as a result of personal
 32 injury arising out of and in the course of such assignment, or
 33 sustained in the performance of duties in connection therewith,
 34 shall be treated for the purpose of receiving agency's employee
 35 compensation program, as an employee, as defined in such act,
 36 who has sustained such injury in the performance of such duty,
 37 but shall not receive benefits under that act for any period for
 38 which ~~he~~ the employee elects to receive similar benefits as an
 39 employee under the sending agency's employee compensation
 40 program. *

41 No change for subd 5 to 6

015A#01S

42 15A.01 AMOUNT.

43 No change for subd 1 to 2

44 Subd. 3. FEES COLLECTED PAID INTO STATE TREASURY.

45 All fees of any nature collected by any officer or employee
 46 named in this chapter in the performance of ~~his~~ official duties
 47 for the state shall be paid into the state treasury. *

015A#081S

48 15A.081 SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.

49 Subdivision 1. The governor shall set the salary rate
 50 within the ranges listed below for positions specified in this
 51 subdivision, upon approval of the legislative commission on
 52 employee relations and the legislature as provided by section
 53 43A.18, subdivisions 2 and 5:

54	Salary Range	
55	Effective	
56	July 1, 1983	
57	Commissioner of education;	\$57,500-\$70,000
58	Commissioner of finance;	
59	Commissioner of transportation;	
60	Commissioner of human services;	
61	Executive director, state board of	
62	investment;	
63	Commissioner of administration;	\$50,000-\$60,000
64	Commissioner of agriculture;	
65	Commissioner of commerce;	
66	Commissioner of corrections;	
67	Commissioner of jobs and training;	
68	Commissioner of employee relations;	
69	Commissioner of energy and economic	
70	development;	
71	Commissioner of health;	
72	Commissioner of labor and industry;	

- 1 Commissioner of natural resources;
- 2 Commissioner of revenue;
- 3 Commissioner of public safety;
- 4 Chairperson Chair, waste management board; *
- 5 Chief administrative law judge; office of
- 6 administrative hearings;
- 7 Director, pollution control agency;
- 8 Director, state planning agency;
- 9 Executive director, housing finance
- 10 agency;
- 11 Executive director, public employees
- 12 retirement association;
- 13 Executive director, teacher's
- 14 retirement association;
- 15 Executive director, state retirement
- 16 system;
- 17 Chairman Chair, metropolitan council; *
- 18 Chairman Chair, regional transit board; *
- 19 Coordinator of full productivity and
- 20 opportunity;
- 21 Commissioner of human rights; \$40,000-\$52,500
- 22 Director, department of public service;
- 23 Commissioner of veterans' affairs;
- 24 Director, bureau of mediation services;
- 25 Commissioner, public utilities commission;
- 26 Member, transportation regulation board.
- 27 Subd. 1a. Repealed, 1976 c 239 s 7
- 28 Subd. 2. Repealed, 1974 c 511 s 16
- 29 Subd. 3. Repealed, 1974 c 511 s 16
- 30 Subd. 4. Repealed, 1977 c 35 s 21
- 31 Subd. 5. Repealed, 1980 c 617 s 45
- 32 No change for subd 6 to 8

015A#083S

33 15A.083 SALARIES FOR POSITIONS IN THE JUDICIAL BRANCH..

34 No change for subd 1

35 Subd. 2. COUNTY COURT AND COUNTY MUNICIPAL JUDGES.

36 If any judge of the county municipal courts, and county courts

37 in the counties of Hennepin, Ramsey, Washington, Anoka, Scott,

38 St. Louis, Carver, and Dakota or the county or probate court in

39 St. Louis county dies while in office, the amount of his the *

40 judge's salary remaining unpaid for the month in which his death *

41 occurs, shall be paid to his the estate. *

42 No change for subd 3

43 Subd. 4. RANGES FOR OTHER JUDICIAL POSITIONS.

44 Salaries or salary ranges are provided for the following

45 positions in the judicial branch of government. The appointing

46 authority of any position for which a salary range has been

47 provided shall fix the individual salary within the prescribed

48 range, considering the qualifications and overall performance of

49 the employee. Appointments to fill vacancies shall not be made

50 above the midpoint of the salary range prescribed for the

51 position unless the state court administrator has been consulted

52 in advance and ~~his approval obtained~~ has approved the variance. *

53 Any salary increase that would adjust an employee's rate of pay

54 beyond the midpoint of the range prescribed for the position

55 must be approved in advance by the state court administrator.

56 The salaries of the district administrators of the second,

57 fourth, and sixth judicial districts may be supplemented by the

58 appropriate county board in an amount not to exceed \$10,000 per

59 year. The salary of the state public defender shall be 95

60 percent of the salary of the attorney general.

Salary or Range	Effective July 1, 1983
District court	
administrator	36,000-48,000
Board on judicial	
standards	
executive director	32,000-44,000
State court	
administrator	45,500-54,000
Subd. 4a. Repealed, 1979 c 332 art 2 s 7	
No change for subd 5	
Subd. 6. REFEREE SALARIES. Notwithstanding any	
other law or ordinance to the contrary, no referee or	

1 administrative law judge employed by a court in this state shall
2 receive a salary which is in excess of 90 percent of the salary
3 paid a judge of the employing court ~~by which he is employed.~~ *

4 No change for subd 7

015A#22S

5 15A.22 PUBLIC EMPLOYEES; RELIGIOUS HOLIDAYS.

6 Any employee of the state, its political subdivisions, or a
7 municipality therein who observes a religious holiday on days
8 which do not fall on a Sunday or a legal holiday, shall be
9 entitled to such days off from ~~his~~ employment for such *
10 observance. Such days off shall be taken off without pay except
11 where the employee has accumulated annual leave, and in that
12 case such days shall be charged against the accumulated annual
13 leave of the employee or unless the employee is able to work an
14 equivalent number of days at some other time during the fiscal
15 year to compensate for the days lost.

016A#13S

16 16A.13 FEDERAL TAX WITHHOLDING.

17 Subdivision 1. CUSTODIAN; BOND. The treasurer is the
18 custodian of all moneys deposited with ~~him~~ the treasurer for *
19 federal tax withheld from the pay of any officer or employee of
20 the state of Minnesota. The treasurer's bond to the state shall
21 cover the liability for the custodian's acts. The deposits are
22 subject to laws on keeping and paying out state money.

23 No change for subd 2 to 4

016A#641S

24 16A.641 STATE BONDS; APPROPRIATIONS.

25 No change for subd 1

26 Subd. 2. REPORT. Before a sale of general obligation
27 bonds, the commissioner shall report the amount of bonds to be
28 issued and a detailed list of the projects or a statement of the
29 program to be financed to the ~~chairmen~~ chairs of the house *
30 appropriations and tax committees and of the senate finance and
31 tax committees, and the minority leaders of the house and
32 senate, for their advisory recommendation. The recommendation
33 is positive if not received within ten days.

34 No change for subd 3 to 13

016A#672S

35 16A.672 BONDS AND CERTIFICATES OF INDEBTEDNESS.

36 No change for subd 1 to 9

37 Subd. 10. APPROVAL BY ATTORNEY GENERAL. An agreement
38 under subdivision 7 is not effective until approved as to form
39 and execution by the attorney general or ~~his~~ a designee. *

40 No change for subd 11

016B#05S

41 16B.05 DELEGATION BY COMMISSIONER.

42 Subdivision 1. DELEGATION OF DUTIES BY COMMISSIONER.

43 The commissioner may delegate duties imposed by this chapter to
44 the head of an agency and to any ~~of his~~ subordinates of the head. *
45 Delegated duties are to be exercised in the name of the
46 commissioner and under ~~his~~ the commissioner's supervision and *
47 control.

48 Subd. 2. FACSIMILE SIGNATURES. When authorized by
49 the commissioner, facsimile signatures may be used by personnel
50 of the department of administration in accordance with ~~his~~ the *
51 commissioner's delegated authority and ~~his~~ instructions, copies *
52 of which shall be filed with the commissioner of finance, state
53 treasurer, and the secretary of state. A facsimile signature,
54 when used in accordance with ~~his~~ the commissioner's delegated *
55 authority and ~~his~~ instructions, is as effective as an original *
56 signature.

016B#06S

57 16B.06 CONTRACT MANAGEMENT AND REVIEW.

58 No change for subd 1

59 Subd. 2. VALIDITY OF STATE CONTRACTS. A state
60 contract or lease is not valid and the state is not bound by it
61 until it has first been executed by the head of the agency which
62 is a party to the contract and has been approved in writing by
63 the commissioner or a delegate, under this section, by the
64 attorney general or a delegate as to form and execution, and by
65 the commissioner of finance or a delegate who shall determine
66 that the appropriation and allotment have been encumbered for
67 the full amount of the contract liability. The head of the
68 agency may delegate the execution of specific contracts or
69 specific types of contracts to a deputy or assistant head within
70 ~~his~~ the agency if the delegation has been approved by the *

1 commissioner of administration and filed with the secretary of
2 state. A copy of every contract or lease extending for a term
3 longer than one year must be filed with the commissioner of
4 finance.

5 No change for subd 3 to 5

016B#07S

6 16B.07 COMPETITIVE BIDS.

7 No change for subd 1 to 4

8 Subd. 5. STANDARD SPECIFICATIONS, SECURITY.

9 Contracts and purchases must be based on the standard
10 specifications prescribed and enforced by the commissioner under
11 this chapter, unless otherwise expressly provided. Each bidder
12 for a contract must furnish security approved by the
13 commissioner to insure the making of the contract being bid for
14 ~~which he bids~~.

*
*

016B#08S

15 16B.08 BIDS NOT REQUIRED.

16 No change for subd 1 to 3

17 Subd. 4. NEGOTIATED CONTRACTS. In lieu of any of the
18 other requirements of this chapter, the commissioner may
19 negotiate a contract for public work to be performed at a state
20 owned institution or installation if the cost does not exceed
21 \$5,000 and if the head of the affected state agency requests the
22 commissioner to do so. The commissioner shall have prepared
23 whatever plans and specifications for the public work ~~he deems~~
24 deemed necessary by the commissioner to protect the public
25 interest. Contractor's bonds or security pursuant to chapter
26 574 are not required for contracts entered into pursuant to this
27 subdivision.

*
*

28 No change for subd 5 to 7

016B#09S

29 16B.09 CONTRACTS AND PURCHASES, AWARD.

30 No change for subd 1 to 2

31 Subd. 3. SPECIAL CIRCUMSTANCES. The commissioner may
32 reject the bid of any bidder who has failed to perform a
33 previous contract with the state. In the case of identical low
34 bids from two or more bidders, the commissioner may ~~in his~~
35 ~~discretion~~ use negotiated procurement methods with the tied low
36 bidders for that particular transaction, so long as the price
37 paid does not exceed the low tied bid price.

*
*

38 No change for subd 4 to 5

016B#17S

39 16B.17 CONSULTANTS AND TECHNICAL SERVICES.

40 No change for subd 1 to 2

41 Subd. 3. DUTIES OF CONTRACTING AGENCY. Before an
42 agency may seek approval of a consultant or professional and
43 technical services contract valued in excess of \$2,000, it must
44 certify to the commissioner that:

45 (1) no state employee is able to perform the services
46 called for by the contract;

47 (2) the normal competitive bidding mechanisms will not
48 provide for adequate performance of the services;

49 (3) the services are not available as a product of a prior
50 consultant or professional and technical services contract, and
51 the contractor has certified that the product of his the
52 services will be original in character;

*

53 (4) reasonable efforts were made to publicize the
54 availability of the contract;

55 (5) the agency has received, reviewed, and accepted a
56 detailed work plan from the contractor for performance under the
57 contract; and

58 (6) the agency has developed, and fully intends to
59 implement, a written plan providing for the assignment of
60 specific agency personnel to a monitoring and liaison function;
61 the periodic review of interim reports or other indications of
62 past performance, and the ultimate utilization of the final
63 product of the services.

64 No change for subd 4 to 5

016B#20S

65 16B.20 ENCOURAGEMENT OF PARTICIPATION; ADVISORY COUNCIL.

66 No change for subd 1

67 Subd. 2. ADVISORY COUNCIL. A small business
68 procurement advisory council is created. The council consists
69 of 13 members appointed by the commissioner of administration.
70 A chairperson chair of the advisory council shall be elected
71 from among the members. The appointments are subject to the

*

1 appointments program provided by section 15.0597. The terms and
2 removal of members are as provided in section 15.059, but
3 members do not receive per diem or expenses.

4 No change for subd 3

016B#24S

5 16B.24 GENERAL AUTHORITY.

6 No change for subd 1 to 2

7 Subd. 3. DISPOSAL OF OLD BUILDINGS. The
8 commissioner, upon request of the head of an agency which has
9 control of a state owned building which is no longer used or
10 which is a fire or safety hazard, shall, after obtaining
11 approval of the chairmen chairs of the senate finance committee *
12 and house of representatives appropriations committee, sell,
13 wreck, or otherwise dispose of the building. In the event a
14 sale is made the proceeds shall be deposited in the proper
15 account or in the general fund.

16 No change for subd 4 to 8

016B#27S

17 16B.27 GOVERNOR'S RESIDENCE.

18 No change for subd 1 to 2

19 Subd. 3. COUNCIL. The governor's residence council
20 consists of the following 15 members: the commissioner; the
21 spouse, or a designee of the governor; the executive director of
22 the Minnesota state arts board; the director of the Minnesota
23 historical society; a member of the senate appointed pursuant to
24 the rules of the senate; a member of the house of
25 representatives appointed pursuant to the rules of the house of
26 representatives; seven persons appointed by the governor
27 including one in the field of higher education, one member of
28 the American Society of Interior Designers, Minnesota Chapter,
29 one member of the American Institute of Architects, Minnesota
30 chapter, one member of the American Society of Landscape
31 Architects, Minnesota Chapter, one member of the family that
32 donated the governor's residence to the state, if available, and
33 four public members. Members of the council serve without
34 compensation. Membership terms, removal, and filling of
35 vacancies for members appointed by the governor are governed by
36 section 15.0575. The council shall elect a chairman chair and a *
37 secretary from among its members. The council shall expire on
38 the date provided by section 15.059, subdivision 5.

39 No change for subd 4 to 5

016B#31S

40 16B.31 COMMISSIONER MUST APPROVE PLANS.

41 No change for subd 1 to 2

42 Subd. 3. FEDERAL AID. (a) ACCEPTANCE OF AID.

43 The commissioner is the state agency empowered to accept money
44 provided for or made available to this state by the United
45 States of America or any federal department or agency for the
46 construction and equipping of any building for state purposes
47 not otherwise provided for by law, other than University of
48 Minnesota buildings, in accordance with the provisions of
49 federal law and any rules or regulations promulgated under
50 federal law. The commissioner may do whatever is required of
51 this state by federal law, rules, and regulations in order to
52 obtain the federal money.

53 (b) FEDERAL FUNDS CONSIDERED PART OF APPROPRIATION.

54 The commissioner may after consultation with the chairmen chairs *
55 of the senate finance committee and house of representatives
56 appropriations committee, adopt a plan, provide for an
57 improvement, or construct a building that contemplates
58 expenditure for its completion of more money than the
59 appropriation for it, if the excess money is provided by the
60 United States government and granted to the state of Minnesota
61 under federal law or any rule or regulation promulgated under
62 federal law. This federal money, for the purpose of this
63 section, is a part of the appropriation for the project.

64 (c) DELAYED FEDERAL MONEY. If an amount is payable to
65 a creditor of the state from a project account which is financed
66 partly with federal money and the project is included in
67 appropriations made to the commissioner for public buildings and
68 equipment, and the amount cannot be paid on time because of a
69 deficiency of money in the project account caused by a delay in
70 the receipt of federal money, the commissioner may provide money
71 needed to pay the amount by temporarily transferring the sum to
72 the project account from any other appropriation made to the
73 commissioner in the same act. Required money for a payment is

1 appropriated for that purpose. When the delayed federal money
 2 is received, the commissioner shall have the amount of money
 3 transferred returned to the account from which it came.

4 No change for subd 4

016B#33S

5 16B.33 DESIGNER SELECTION BOARD.

6 No change for subd 1

7 Subd. 2. ORGANIZATION OF BOARD. (a) MEMBERSHIP.

8 The state designer selection board consists of five
 9 individuals, the majority of whom must be Minnesota residents.
 10 Each of the following three organizations shall nominate one
 11 individual whose name and qualifications shall be submitted to
 12 the commissioner of administration for consideration: the
 13 consulting engineers council of Minnesota after consultation
 14 with other professional engineering societies in the state; the
 15 Minnesota society of architects; and the Minnesota board of the
 16 arts. The commissioner may appoint the three named individuals
 17 to the board but may reject a nominated individual and request
 18 another nomination. The remaining two members shall also be
 19 appointed by the commissioner.

20 (b) NONVOTING MEMBERS. In addition to the five
 21 members of the board, two nonvoting members shall participate in
 22 the interviewing and selection of designers pursuant to this
 23 section. One shall be a representative of the commissioner and
 24 shall participate in the interviewing and selection of designers
 25 for all projects. The other shall be a representative of the
 26 user agency, who shall participate in the interviewing and
 27 selection of the designers for the project being undertaken by
 28 the user agency. The commissioner shall appoint the
 29 representative of the user agency in consultation with the user
 30 agency.

31 (c) TERMS; COMPENSATION; REMOVAL; VACANCIES. The
 32 membership terms, compensation, removal of members, and filling
 33 of vacancies on the board are as provided in section 15.0575.
 34 No individual may serve for more than two consecutive terms.

35 (d) OFFICERS, RULES. At its first meeting, the board
 36 shall elect a voting member of the board as chairman chair. The *
 37 board shall also elect other officers necessary for the conduct
 38 of its affairs. The board shall adopt rules governing its
 39 operations and the conduct of its meetings. The rules shall
 40 provide for the terms of the chairman chair and other officers. *

41 (e) MEETINGS. The board shall meet as often as is
 42 necessary, not less than twice annually, in order to act
 43 expeditiously on requests submitted to it for selection of
 44 primary designers.

45 (f) OFFICE, STAFF, RECORDS. The department of
 46 administration shall provide the board with suitable quarters to
 47 maintain an office, hold meetings, and keep records. The
 48 commissioner shall designate an employee of the department of
 49 administration to serve as executive secretary to the board and
 50 shall furnish a secretarial staff to the board as necessary for
 51 the expeditious conduct of the board's duties and
 52 responsibilities.

53 No change for subd 3 to 4

016B#37S

54 16B.37 REORGANIZATION OF AGENCIES.

55 No change for subd 1

56 Subd. 2. REORGANIZATION ORDER. A transfer made
 57 pursuant to subdivision 1 must be in the form of a
 58 reorganization order. A reorganization order must be filed with
 59 the secretary of state, be uniform in format, and be numbered
 60 consecutively. An order is effective upon filing with the
 61 secretary of state and remains in effect until amended or
 62 superseded. Copies of the filed order must be delivered
 63 promptly by the commissioner to the secretary of the senate, the
 64 chief clerk of the house, and the chairmen chairs of the *
 65 governmental operations committees in the senate and house of
 66 representatives. A reorganization order which transfers all or
 67 substantially all of the powers or duties or personnel of a
 68 department, the housing finance agency, or the pollution control
 69 agency is not effective until it is ratified by concurrent
 70 resolution or enacted into law.

71 No change for subd 3 to 5

016B#39S

72 16B.39 PROGRAMS FOR STATE EMPLOYEES.

73 Subdivision 1. STATE EMPLOYEES SUGGESTION BOARD. The

1 state employees suggestion board is composed of seven members
 2 appointed by the commissioner, each of whom is a state officer
 3 or employee. The board shall annually elect a member to be
 4 ~~chairman~~ chair. For the purposes of this section, "board" means *
 5 the state employees suggestion board. The membership terms,
 6 expenses, removal of members, and filling of vacancies on the
 7 board are as provided in section 15.0575. Members do not
 8 receive the daily compensation provided by section 15.0575. The
 9 board shall formulate, establish, and maintain plans to
 10 encourage and reward unusual and meritorious suggestions and
 11 accomplishments by state employees promoting efficiency and
 12 economy in state government; appoint committees to consider
 13 suggestions and accomplishments of state employees and make
 14 recommendations on them to the board; and render merit awards to
 15 state employees, which may include certificates, medals and
 16 other appropriate insignia, and cash awards, in accordance with
 17 the board's plans. The commissioner shall assign for the use of
 18 the board the personnel, facilities, and equipment required for
 19 the proper performance of its work. The commissioner, on behalf
 20 of the board, may require assistance from any state department
 21 of any of its personnel and facilities.

22 No change for subd 2

016B#54S

23 16B.54 CENTRAL MOTOR POOL; ESTABLISHMENT.

24 No change for subd 1

25 Subd. 2. VEHICLES. (a) ACQUISITION FROM AGENCY;
 26 APPROPRIATION. The commissioner may direct an agency to make *
 27 a transfer to him of a passenger motor vehicle or truck *
 28 presently assigned to it. The transfer must be made to the *
 29 commissioner for use in the central motor pool. The *
 30 commissioner shall reimburse an agency whose motor vehicles have
 31 been paid for with funds dedicated by the constitution for a
 32 special purpose and which are assigned to the central motor
 33 pool. The amount of reimbursement for a motor vehicle is its
 34 average wholesale price as determined from the midwest edition
 35 of the national automobile dealers association official used car
 36 guide.

37 (b) PURCHASE. To the extent that funds are available
 38 for the purpose, the commissioner may purchase or otherwise
 39 acquire additional passenger motor vehicles and trucks necessary
 40 for the central motor pool. The title to all motor vehicles
 41 assigned to or purchased or acquired for the central motor pool
 42 is in the name of the department of administration.

43 (c) TRANSFER AT AGENCY REQUEST. On the request of an
 44 agency, the commissioner may transfer to the central motor pool
 45 any passenger motor vehicle or truck for the purpose of
 46 disposing of it. The department or agency transferring the
 47 vehicle or truck shall be paid for it from the motor pool
 48 revolving account established by this section in an amount equal
 49 to two-thirds of the average wholesale price of the vehicle or
 50 truck as determined from the midwest edition of the National
 51 Automobile Dealers Association official used car guide.

52 (d) VEHICLES; MARKING. The commissioner shall provide
 53 for the uniform marking of all motor vehicles. Motor vehicle
 54 colors must be selected from the regular color chart provided by
 55 the manufacturer each year. The commissioner may further
 56 provide by rule for the use of motor vehicles without uniform
 57 coloring or marking by the governor, the lieutenant governor,
 58 the division of criminal apprehension, arson investigators of
 59 the division of fire marshal in the department of public safety,
 60 financial institutions division of the department of commerce,
 61 and the office of the attorney general.

62 No change for subd 3 to 8

016B#55S

63 16B.55 USE OF STATE VEHICLES; COMPENSATION FOR USE OF
 64 PERSONAL VEHICLES.

65 No change for subd 1 to 2

66 Subd. 3. PERMITTED USES. A state vehicle may be used
 67 by a state employee to travel to or from the employee's
 68 residence:

69 (1) on a day on which it may be necessary for the employee
 70 to respond to a work-related emergency during hours when the
 71 employee is not normally working;

72 (2) if the employee has been assigned the use of a state
 73 vehicle for authorized state business on an extended basis, and
 74 the employee's primary place of work is not the state work

1 station to which ~~he~~ the employee is permanently assigned; *

2 (3) if the employee has been assigned the use of a state

3 vehicle for authorized state business away from the work station

4 to which ~~he~~ the employee is permanently assigned, and the number *

5 of miles travelled, or the time needed to conduct the business,

6 will be minimized if the employee uses a state vehicle to travel

7 to the employee's residence before or after travelling to the

8 place of state business.

9 Use of a state vehicle pursuant to this subdivision

10 requires the prior approval of the agency head or the designee

11 of the agency head. Within 15 days of the end of each

12 three-month period, the head of each agency shall report to the

13 commissioner on each case in which a state vehicle is used by an

14 employee of that agency to travel to or from the employee's

15 residence. The commissioner shall specify the form of this

16 report and the information to be included. If no state vehicles

17 have been used for this travel, the head of the state agency

18 shall report this to the commissioner; or

19 (4) if the employee is authorized to participate in a

20 ridesharing program established by the commissioner pursuant to

21 section 174.257.

22 No change for subd 4 to 6

016B#58S

23 16B.58 STATE PARKING FACILITIES.

24 Subdivision 1. POWERS AND DUTIES OF THE COMMISSIONER.

25 No person may park a motor vehicle, either privately or

26 publicly owned, upon any parking lot or facility owned or

27 operated by the state except as authorized by this section. The

28 commissioner shall operate and supervise all state parking lots

29 and facilities. ~~He~~ The commissioner may fix and collect rents, *

30 charges, or fees in connection with and for the use of any state

31 parking lot or facility within the cities of St. Paul and

32 Minneapolis except for any state lot or facility the control of

33 which is vested by law in a state agency other than the

34 department of administration.

35 No change for subd 2 to 8

016B#61S

36 16B.61 GENERAL POWERS OF COMMISSIONER; STATE BUILDING

37 CODE.

38 No change for subd 1 to 3

39 Subd. 4. REVIEW OF PLANS FOR PUBLIC BUILDINGS.

40 Construction or remodeling may not begin on any public building

41 owned by the state until the plans and specifications of the

42 public building have been approved by the commissioner. In the

43 case of any other public building, the plans and specifications

44 must be submitted to the commissioner for review, and within 30

45 days after ~~his~~ receipt of the plans and specifications, ~~he~~ the *

46 commissioner shall notify the submitting authority of ~~his~~ any *

47 recommendations ~~if any~~. *

48 Subd. 5. ACCESSIBILITY. (a) PUBLIC BUILDINGS.

49 The code must provide for making public buildings constructed or

50 remodeled after July 1, 1963, accessible to and usable by

51 physically handicapped persons, although this does not require

52 the remodeling of public buildings solely to provide

53 accessibility and usability to the physically handicapped when

54 remodeling would not otherwise be undertaken.

55 (b) LEASED SPACE. No agency of the state may lease

56 space for agency operations in a nonstate-owned building unless

57 the building satisfies the requirements of the state building

58 code for accessibility by the physically handicapped, or is

59 eligible to display the state symbol of accessibility. This

60 limitation applies to leases of 30 days or more for space of at

61 least 1,000 square feet.

62 (c) MEETINGS OR CONFERENCES. Meetings or conferences

63 for the public or for state employees which are sponsored in

64 whole or in part by a state agency must be held in buildings

65 that meet the state building code requirements relating to

66 accessibility for physically handicapped persons. This

67 subdivision does not apply to any classes, seminars, or training

68 programs offered by a state university, the University of

69 Minnesota, or a state community college. Meetings or

70 conferences intended for specific individuals none of whom need

71 the accessibility features for handicapped persons specified in

72 the state building code need not comply with this subdivision

73 unless a handicapped person gives reasonable advance notice of

74 ~~his-or-her~~ an intent to attend the meeting or conference. When *

1 sign language interpreters will be provided, meetings or
 2 conference sites must be chosen which allow hearing impaired
 3 participants to see their signing clearly.
 4 (d) EXEMPTIONS. The commissioner may grant an
 5 exemption from the requirements of paragraphs (b) and (c) in
 6 advance if an agency has demonstrated that reasonable efforts
 7 were made to secure facilities which complied with those
 8 requirements and if the selected facilities are the best
 9 available for access for handicapped persons. Exemptions shall
 10 be granted using criteria developed by the commissioner in
 11 consultation with the council for the handicapped.

12 (e) SYMBOL INDICATING ACCESS. The wheelchair symbol
 13 adopted by Rehabilitation International's Eleventh World
 14 Congress is the state symbol indicating buildings, facilities,
 15 and grounds which are accessible to and usable by handicapped
 16 persons. In the interests of uniformity, this symbol in its
 17 white on blue format is the sole symbol for display in or on all
 18 public or private buildings, facilities, and grounds which
 19 qualify for its use. The secretary of state shall obtain the
 20 symbol and keep it on file. No building, facility, or grounds
 21 may display the symbol unless it is in compliance with the rules
 22 adopted by the commissioner under subdivision 1. Before any
 23 rules are proposed for adoption under this paragraph, the
 24 commissioner shall consult with the state council for the
 25 handicapped. Rules adopted under this paragraph must be
 26 enforced in the same way as other accessibility rules of the
 27 state building code.

28 (f) MUNICIPAL ENFORCEMENT. Municipalities which have
 29 not adopted the state building code may enforce the building
 30 code requirements for handicapped persons by either entering
 31 into a joint powers agreement for enforcement with another
 32 municipality which has adopted the state building code; or
 33 contracting for enforcement with an individual certified under
 34 section 16B.65, subdivision 3, to enforce the state building
 35 code.

016B#63S

36 16B.63 STATE BUILDING INSPECTOR.

37 No change for subd 1 to 2

38 Subd. 3. POWERS AND DUTIES. The state building
 39 inspector may, with the approval of the commissioner, employ
 40 personnel necessary to carry out his the inspector's function *
 41 under sections 16B.59 to 16B.73. The state building inspector
 42 shall distribute without charge one copy of the code to each
 43 municipality within the state. Additional copies shall be made
 44 available to municipalities and interested parties for a fee
 45 prescribed by the commissioner. The state building inspector
 46 shall perform other duties in administering the code assigned to *
 47 ~~him~~ by the commissioner. *

016B#64S

48 16B.64 APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.

49 No change for subd 1 to 5

50 Subd. 6. ADOPTION. The commissioner shall approve
 51 any proposed amendments ~~which-he-deems~~ deemed by the *
 52 commissioner to be reasonable in conformity with the policy and *
 53 purpose of the code and justified under the particular
 54 circumstances involved. Upon adoption, a copy of each amendment
 55 must be distributed to the governing bodies of all affected
 56 municipalities.

57 No change for subd 7

016B#65S

58 16B.65 BUILDING OFFICIALS.

59 Subdivision 1. APPOINTMENTS. The governing body of
 60 each municipality shall, unless other means are already
 61 provided, appoint a person to administer the code who shall be
 62 known as a building official. Two or more municipalities may
 63 combine in the appointment of a single building official for the
 64 purpose of administering the provisions of the code within their
 65 communities. In those municipalities for which no building
 66 officials have been appointed, the state building inspector,
 67 with the approval of the commissioner, may appoint building
 68 officials to serve until the municipalities have made an
 69 appointment. If ~~the-state-building-inspector-is~~ unable to make *
 70 an appointment he, the state building inspector may use *
 71 whichever state employees or state agencies are necessary to
 72 perform the duties of the building official. All costs incurred
 73 by virtue of an appointment by the state building inspector or

1 services rendered by state employees must be borne by the
2 involved municipality. Receipts arising from the appointment
3 must be paid into the state treasury and credited to the general
4 fund.

5 No change for subd 2

6 Subd. 3. CERTIFICATION. The department of employee
7 relations, with the approval of the commissioner, shall either:

8 (1) prepare and conduct oral, written, and practical
9 examinations to determine if a person is qualified pursuant to
10 subdivision 2 to be a building official, or

11 (2) accept documentation of successful completion of
12 programs of training developed by public agencies, as proof of
13 qualification pursuant to subdivision 2.

14 Upon a determination of qualification under either clause
15 (1) or (2) the commissioner shall issue a certificate to the
16 building official stating that the official is certified. Each
17 person applying for examination and certification pursuant to
18 this section shall pay a fee of \$20. The department of employee
19 relations and the commissioner or ~~his~~ a designee may establish *
20 classes of certification that will recognize the varying
21 complexities of code enforcement in the municipalities within
22 the state. Except as provided by subdivision 2, no person may
23 act as a building official for a municipality unless the
24 department of employee relations and the commissioner determine
25 that the official is qualified. The department of employee
26 relations may, with the approval of the commissioner, prepare
27 and conduct educational programs designed to train and assist
28 building officials in carrying out their responsibilities.

29 No change for subd 4

30 Subd. 5. REMOVAL FROM OFFICE. Except as otherwise
31 provided for by law the commissioner may, upon notice and
32 hearing, direct the dismissal of a building official when it
33 appears to ~~him~~ the commissioner by competent evidence that the *
34 building official has consistently failed to act in the public *
35 interest in the performance of ~~his~~ duties. Notice must be *
36 provided and the hearing conducted in accordance with the
37 provisions of chapter 14 governing contested case proceedings.
38 Nothing in this subdivision limits or otherwise affects the
39 authority of a municipality to dismiss or suspend a building
40 official at its discretion, except as otherwise provided for by
41 law.

42 Subd. 6. VACANCIES. In the event that a certified
43 building official vacates ~~his~~ that position within a *
44 municipality, that municipality shall appoint a certified
45 building official to fill the vacancy as soon as possible. If
46 the municipality fails to appoint a certified building official
47 within 90 days of the occurrence of the vacancy, the state
48 building inspector may make the appointment or provide state
49 employees to serve that function as provided in subdivision 1.

50 No change for subd 7

016B#66S

51 16B.66 CERTAIN INSPECTIONS.

52 The state building inspector may, upon an application
53 setting forth a set of plans and specifications that will be
54 used in more than one municipality to acquire building permits,
55 review and approve the application for the construction or
56 erection of any building or structure designed to provide
57 dwelling space for no more than two families if the set of plans
58 meets the requirements of the state building code. All costs
59 incurred by the state building inspector by virtue of the
60 examination of the set of plans and specifications must be paid
61 by the applicant. The plans and specifications or any plans and
62 specifications required to be submitted to a state agency must
63 be submitted to the state building inspector who shall examine
64 them and if necessary distribute them to the appropriate state
65 agencies for scrutiny regarding adequacy as to electrical, fire
66 safety, and all other appropriate features. These state
67 agencies shall examine and promptly return the plans and
68 specifications together with their certified statement as to the
69 adequacy of the instruments regarding that agency's area of
70 concern. A building official shall issue a building permit upon
71 application and presentation to ~~him~~ the official of a set of *
72 plans and specifications bearing the approval of the state
73 building inspector if the requirements of all other local
74 ordinances are satisfied.

016B#67S

1 16B.67 APPEALS.

2 A person aggrieved by the final decision of any
3 municipality as to the application of the code, including any
4 rules adopted under sections 471.465 to 471.469, may, within 30
5 days of the decision, appeal to the commissioner. Appellant
6 shall submit a fee of \$20, payable to the commissioner, with ~~his~~ *
7 the request for appeal. The final decision of the involved *
8 municipality is subject to review de novo by the commissioner or
9 ~~his~~ a designee. The commissioner shall submit ~~his~~ written *
10 findings to the parties. Any person aggrieved by a ruling of
11 the commissioner may appeal in accordance with chapter 14. For
12 the purpose of this section "any person aggrieved" includes the
13 state council for the handicapped. No fee shall be required
14 when the council for the handicapped is the appellant.

017*#01S

15 17.01 CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.

16 There is created a department of agriculture, which shall
17 be in the charge of a commissioner of agriculture, in this
18 chapter called the commissioner;--~~He~~, who shall be appointed by *
19 the governor under the provisions of section 15.06. Before
20 entering upon the duties of ~~his~~ office, ~~he~~ the commissioner
21 shall take the oath required of state officials. ~~He~~ The
22 commissioner may appoint a deputy commissioner. *

017*#013S

23 17.013 DELEGATIONS OF POWERS TO DEPUTY COMMISSIONER.

24 The commissioner of agriculture may designate the deputy
25 commissioner of agriculture to act in ~~his~~ the commissioner's *
26 stead as a member, with all ~~his~~ the commissioner's rights and *
27 privileges therein, of any board, committee or commission that
28 the commissioner is made a member of by law. The designation
29 shall be filed with secretary of state.

017*#03S

30 17.03 POWERS AND DUTIES OF COMMISSIONER.

31 Subdivision 1. DEVELOPMENT OF AGRICULTURAL INDUSTRIES.

32 The commissioner shall encourage and promote the development
33 of agricultural industries, investigate marketing conditions
34 affecting the marketing of farm products, and assist farmers,
35 producers, and consumers in the organization and management of
36 cooperative enterprises and the cooperative marketing of farm
37 products; advise and assist in the location and establishment of
38 local markets when ~~he~~ the commissioner determines that the *
39 public necessity or the welfare of the community requires such
40 markets, ~~provided-he-be~~ if satisfied that such markets will be *
41 successfully operated by a cooperative company or municipality.
42 It shall be the duty of the department of agriculture and the
43 department of agriculture of the University of Minnesota to
44 cooperate in all ways that may be beneficial to the agricultural
45 interests of the state. It is intended that police and
46 organizational powers in reference to agriculture shall be
47 exercised by the state department of agriculture and that the
48 department of agriculture of the University of Minnesota shall
49 retain its present powers and duties relating to obtaining and
50 disseminating agricultural information and conducting
51 agricultural research, and shall retain custody of scientific
52 collections.

53 Subd. 2. STATISTICS AND INFORMATION. The

54 commissioner may collect, compile, and supply statistics and
55 information in regard to the agricultural products of the state
56 and agricultural industries and, to attain this result, ~~he~~ may *
57 cause a farm census at least once in two years, and may do so
58 annually if deemed advisable.

59 No change for subd 3

60 Subd. 4. PUBLICATION OF INFORMATION. The

61 commissioner is authorized to publish, from time to time, such
62 marketing or other information as may be deemed necessary to the
63 welfare of agriculture, and to that end ~~he-shall-have-authority~~ *
64 to may investigate marketing or other conditions relating *
65 agriculture in this and in other states, and to make these
66 investigations public in such manner as shall in ~~his~~ the *
67 commissioner's judgment be most effective. *

68 No change for subd 5

017*#037S

69 17.037 ENFORCEMENT OF LAWS, GENERALLY; COMMISSIONERS
70 POWERS AND DUTIES.

71 Subdivision 1. ACTIONS COMMENCED; FORFEITURE OF
72 LICENSE; ANNULMENT OF CORPORATE EXISTENCE. The commissioner

1 is authorized, if upon investigation ~~he~~ the commissioner is *
 2 satisfied that the laws of the state, relative to any laws
 3 placed within ~~his~~ the commissioner's jurisdiction, have been *
 4 violated, to cause to be instituted, in ~~his~~ the commissioner's *
 5 own name as commissioner or in the name of the state, actions in
 6 the proper court, to secure punishment of the guilty party; and,
 7 if the party complained against is a corporation, to secure the
 8 cancelation of its authority and the annulment of its corporate
 9 existence, if a domestic corporation; or, if a foreign
 10 corporation, the forfeiture of its license to do business in
 11 this state.

12 Subd. 2. REPORTS TO PROSECUTING OFFICERS. If, after
 13 an investigation, it appears to the commissioner that the laws
 14 of this state have been violated in any respect, ~~he~~ the *
 15 commissioner shall present all available information bearing *
 16 upon such apparent violation to the proper law enforcing or
 17 prosecuting officer of the state or of the United States.

18 Subd. 3. FOOD MANUFACTURER, PROCESSOR, OR DISTRIBUTOR;
 19 LICENSING, PREEMPTION BY STATE. When a food manufacturer,
 20 processor, or distributor is licensed by the commissioner of
 21 agriculture, the food manufacturer, processor or distributor is
 22 exempt from the licensing requirements of any municipal
 23 corporation or subdivision of state government, except for
 24 licensing requirements which may be imposed by the municipal
 25 corporation or subdivision of state government in which the
 26 manufacturer, processor, or distributor locates a plant. All
 27 delivery equipment used by such a food manufacturer, processor
 28 or distributor is included within the meaning of this section,
 29 whether owned or operated, independently contracted, or
 30 contracted with a common carrier approved by the commissioner of
 31 agriculture. This delivery equipment is exempt from licensing
 32 by any municipal corporation or subdivision of state government
 33 except for those requirements which may be imposed by the
 34 municipal corporation or subdivision of state government in
 35 which the equipment is principally located. Delivery equipment
 36 approved by the commissioner of agriculture shall carry, at all
 37 times, a certificate of ~~his~~ approval for the purposes for which *
 38 the equipment is utilized. Nothing in this section is intended
 39 to permit the enactment of an ordinance regulating an activity
 40 where the state has preempted the field.

017*#06S

41 17.06 EXPENSES.
 42 The expenses of the commissioner and ~~his~~ subordinates *
 43 necessarily and actually incurred in the discharge of their
 44 official duties shall be paid in addition to salary, upon
 45 itemized vouchers approved by the commissioner or the deputy
 46 commissioner.

017*#07S

47 17.07 APPROVAL OF EXPENDITURES.
 48 No expenditure of money for any purpose shall be made from
 49 any state appropriation to any agricultural, horticultural,
 50 florist, ~~dairymen's~~ dairy farmer's crop improvement, poultry, *
 51 livestock, or livestock breeders' association, society, or
 52 corporation, or to any other association, society, or
 53 corporation of a similar nature not a part of or connected with
 54 the state government, except upon the written approval of the
 55 commissioner. The association or society shall reimburse the
 56 commissioner of agriculture for all expenses of the commissioner
 57 incurred in examining the records and accounts of such
 58 association or society. This section shall not apply to the
 59 state agricultural society or to county agricultural
 60 associations or other societies or associations whose books and
 61 records are required by law to be audited by any state official
 62 as a prerequisite to such payment.

017*#10S

63 17.10 BIENNIAL REPORTS.
 64 The commissioner shall, biennially, on or before November
 65 15 in each even-numbered year, submit to the governor and the
 66 legislature a report of ~~his~~ the department, with such *
 67 recommendations and suggestions as the interests of agriculture
 68 and foods and marketing conditions require--~~He,~~ and shall *
 69 report, on or before November 15 of each even numbered year,
 70 concerning ~~his~~ official acts, showing official receipts and *
 71 disbursements ~~of his office,~~ and may issue public bulletins of *
 72 information from time to time.

017*#101S

1 17.101 PROMOTIONAL ACTIVITIES.

2 No change for subd 1 to 3

3 Subd. 4. ADVISORY GROUP. The commissioner may
4 establish an ad hoc advisory group to assist him in evaluating *
5 grant requests made pursuant to subdivision 2.

017*#105S

6 17.105 EXPORT FINANCE AUTHORITY.

7 No change for subd 1

8 Subd. 2. BOARD OF DIRECTORS. The governor shall
9 appoint six members to the authority's board of directors. The
10 six members shall be knowledgeable in international finance,
11 exporting, or international law. The commissioner of
12 agriculture shall be ~~chairman~~ chair of the board. Membership, *
13 terms, compensation and removals are governed by section 15.0575.
14 Board members shall perform their duties in a nonself-serving
15 manner and in compliance with section 10A.07.

16 No change for subd 3 to 4

17 Subd. 5. ANNUAL REPORT. The ~~chairman~~ chair and board *
18 of directors shall submit to the governor an annual report on
19 the activities of the finance authority.

20 No change for subd 6

21 Subd. 7. INSURANCE AND GUARANTEES. The finance
22 authority may provide insurance and guarantees to the following
23 extent:

24 (1) The finance authority may not provide to any one person
25 insurance or guarantees in excess of \$250,000 for pre-export
26 transactions and \$250,000 for post-export transactions. When
27 insuring, co-insuring, or guaranteeing the post-export portion
28 of transactions, the finance authority shall retain not more
29 than ten percent of the commercial risk, or alternatively, the
30 normal and standard deductible of the insurance policy.

31 (2) The policy of the finance authority is to provide
32 insurance and guarantees for export credits that would otherwise *
33 not be made and that the ~~chairman~~ chair and the board deem to
34 represent a reasonable risk and have a sufficient likelihood of
35 repayment.

36 (3) The finance authority shall contract with, among
37 others, the Foreign Credit Insurance Association, the U.S.
38 Export-Import Bank, and private insurers to secure insurance or
39 reinsurance for country and commercial risks for the finance
40 authority's insurance program. The finance authority may
41 purchase insurance policies using moneys from the finance
42 authority's appropriations.

43 (4) Losses incurred by the finance authority that relate to
44 its insurance or guarantee activities shall be solely borne by
45 the finance authority to the extent of its capital and reserves.

46 No change for subd 8

017*#17S

47 17.17 COMPLAINTS; INVESTIGATIONS; PROSECUTIONS;
48 FORFEITURES; INJUNCTIONS.

49 If complaint be made to the commissioner that any person is
50 guilty of unfair discrimination defined by section 17.15, ~~he the~~ *
51 commissioner shall investigate such complaint and ~~he may, upon~~ *
52 his-own personal initiative, investigate whether or not section *
53 17.15 has been violated; and, in either event, for that purpose, *
54 ~~he~~ may subpoena witnesses, administer oaths, take testimony, and *
55 if, in ~~his~~ the commissioner's opinion, sufficient ground exists *
56 therefor, ~~he may~~ prosecute an action, in the name of the state, *
57 in the proper court, to annul the act of incorporation or the *
58 existence of a corporation engaged in such business practice.
59 If any corporation is adjudged by any court guilty of unfair
60 discrimination as defined by section 17.15, such court may
61 vacate the charter or revoke the authority of such corporation
62 to do business in this state and may permanently enjoin it from
63 transacting business in this state.

017*#23S

64 17.23 CONSERVATION OF CERTAIN WILD FLOWERS.

65 No change for subd 1

66 Subd. 2. PROSECUTION. The commissioner ~~is-hereby~~ *
67 ~~authorized-and-it~~ shall ~~be-his-duty-to~~ administer this *
68 section, and when, by investigation, complaint or otherwise, it
69 shall be made to appear that any person has violated any of the
70 provisions of subdivision 1, ~~it shall be-his-duty-to~~ assemble *
71 the facts and transmit the same to the attorney general, ~~or-in~~ *
72 ~~the-discretion-of-the-commissioner-he~~ may act through the *
73 county attorney of the county in which the violation was

1 committed, whose duty it shall be to forthwith institute
 2 proceedings and prosecute the same against any person or persons
 3 charged with such violation. It is hereby made the duty of the
 4 county attorney to prosecute any and all cases submitted ~~to him~~ *
 5 by the commissioner or the attorney general.

6 No change for subd 3

017*#44S

7 17.44 SEIZURE OF CHEMICALLY TREATED GRAIN;
 8 RECONDITIONING.

9 Subdivision 1. In the event grain is sold or offered for
 10 sale for the purpose of human, animal, or poultry consumption,
 11 which contains toxic chemicals in sufficient quantities to be
 12 harmful to humans, animals, or poultry, the district court of
 13 the judicial district in which the grain is found may, upon
 14 complaint and showing made by the commissioner of agriculture,
 15 order said grain to be seized. In the event the court finds
 16 that the grain is subject to seizure, it shall order the grain
 17 to be sold or otherwise disposed of for purposes other than
 18 human, animal, or poultry consumption. To this end the court
 19 may require the grain to be specially labeled, dyed, or
 20 otherwise altered in appearance. Upon application of the owner
 21 or any other person interested in the grain, the court shall
 22 permit such person at ~~his~~ the person's own expense to *
 23 recondition said grain and if, after reconditioning, it appears
 24 to the satisfaction of the court that the toxic chemicals have
 25 been removed so that the grain is no longer harmful to humans,
 26 animals, or poultry, the court then shall release the grain.

27 Subd. 2. The court at any time after seizure and up to a
 28 reasonable time before trial shall allow any interested party,
 29 ~~his~~ or the party's attorney or agent, to obtain a representative *
 30 sample of the grain seized and a true copy of the analysis on
 31 which the seizure is based.

017*#53S

32 17.53 DEFINITIONS.

33 No change for subd 1 to 3

34 Subd. 4. COMMISSIONER. "Commissioner" means the
 35 commissioner of agriculture or ~~his~~ a designee. *

36 No change for subd 5 to 6

37 Subd. 7. FIRST HANDLER. "First handler" means a
 38 person, whether ~~he-is~~ an owner, agent or other person, who *
 39 initially places a commodity into commercial channels, or who is
 40 engaged in the processing of the commodity into food for human
 41 consumption in any form, except for potato flour or potato
 42 starch.

43 No change for subd 8 to 13

44 Subd. 14. PRODUCER-PROCESSOR. "Producer-processor"
 45 means a producer who processes and markets ~~his~~ the producer's *
 46 own product. For the purpose of collecting the check-off fee, a
 47 producer-processor is the first purchaser.

48 No change for subd 15 to 18

017*#54S

49 17.54 COUNCILS.

50 No change for subd 1 to 2

51 Subd. 3. NOMINATING COMMITTEE. Within 30 days after
 52 the filing of the petition by the required number of producers
 53 of an agricultural commodity the commissioner shall appoint a
 54 nominating committee of at least five producers of that
 55 commodity who shall, within 60 days from the filing of the
 56 petition, nominate at least two producer candidates for each
 57 council position and certify the names of such nominees to the
 58 commissioner. Nominees shall be selected with a view to
 59 establishing a fair representation of all producers of the
 60 particular commodity throughout the area to be organized, which
 61 shall comprise the entire state unless the commissioner
 62 determines that at least 95 percent of the production of the
 63 commodity is in a lesser area, in which event ~~he~~ the *
 64 commissioner shall define the area following county lines. *
 65 Whenever possible, the areas represented by council members
 66 shall correspond to state crop reporting districts as defined by
 67 the Minnesota crop and livestock reporting service.

68 Subd. 4. ELECTION: Upon receipt of the nominations
 69 the commissioner shall promptly arrange an election to be held
 70 at places designated by ~~him~~ the commissioner reasonably *
 71 convenient to all producers in the organized area and provide
 72 notice of the election to all of the media having a general
 73 circulation in the organized area. Ballots setting forth the

1 names of the nominated candidates and providing for write-in
 2 candidates shall be made available at all polling places. Only
 3 producers of the agricultural commodity involved shall be
 4 qualified to vote. General polling procedures shall be
 5 established by the commissioner by rule pursuant to chapter 14
 6 to avoid voting by other than qualified producers, but the
 7 selection of specific polling places shall not be subject to
 8 chapter 14. An impartial committee appointed by the
 9 commissioner shall tabulate the votes, and the candidates
 10 receiving the most votes shall be declared elected to the first
 11 council.

12 After the first council for a commodity is elected, an
 13 election shall be held annually to elect members of the council.
 14 The election shall be held in the same manner as prescribed for
 15 the first council election except that the manner of choosing
 16 nominating committee members, the time of nominations and the
 17 time and place of elections shall be fixed by the commissioner.
 18 Mail balloting may be permitted by the commissioner.

19 Subd. 5. TERMS. At the first meeting of the first
 20 council for each commodity the commissioner shall determine by
 21 lot one-third of the council members whose terms shall expire
 22 June 30 in the calendar year following the year of the first
 23 election, one-third of the council members whose terms shall
 24 expire June 30 in the second calendar year and the remaining
 25 council members whose terms shall expire June 30 in the third
 26 calendar year. In the event the commissioner has designated
 27 specific areas for representation on the council, the terms of
 28 council members in any one area shall not expire in the same
 29 year. All council members elected in succeeding elections shall
 30 serve three year terms and until their successors are elected
 31 and qualified. All terms shall expire on June 30 of the last
 32 year of the term unless another date is established by the
 33 commissioner for specific councils. In the event a council
 34 member ceases to have any of the qualifications herein
 35 established, ~~his~~ that office shall be deemed vacant. An interim *
 36 vacancy on the council shall be filled by the council for the
 37 remainder of the term vacated. The successor so appointed shall
 38 be a commodity producer residing in the same crop reporting
 39 district as the former member.

40 Subd. 6. ORGANIZATION. The commissioner shall serve
 41 as a member of each council without vote. Each council shall
 42 elect from its own membership a chairman chair, a vice-chairman *
 43 vice-chair, a secretary, and other officers the council deems *
 44 appropriate. An executive committee of no more than five
 45 members including the officers may also be elected. Terms of
 46 the officers shall expire on June 30 of each year; however, they
 47 may serve until their successors have been elected but not
 48 beyond July 15.

49 Subd. 7. MEETINGS; QUORUM. Subject to the
 50 requirements of sections 17.51 to 17.69, a council shall meet at
 51 times and places as it may determine or upon call of the
 52 chairman chair or of any three members or one-third of the *
 53 council, whichever is greater. A majority of the voting members
 54 of a council shall constitute a quorum for the transaction of
 55 all business in carrying out the duties of the council.

56 No change for subd 8 to 13

017*#57S

57 17.57 ADDITIONAL POWERS AND DUTIES OF COUNCIL.

58 No change for subd 1

59 Subd. 2. BUDGET. Each council shall prepare and
 60 submit to the commissioner on a date ~~he~~ the commissioner *
 61 determines an estimated budget for the operation of the
 62 promotional order.

63 No change for subd 3 to 7

017*#58S

64 17.58 POWERS AND DUTIES OF COMMISSIONER.

65 No change for subd 1 to 2

66 Subd. 3. GENERAL POWERS. In administering sections
 67 17.51 to 17.69, the commissioner shall have such other powers as
 68 may be conferred ~~upon him~~ by law not inconsistent with the *
 69 provisions of sections 17.51 to 17.69. The commissioner is
 70 authorized to cooperate with any appropriate agency of any state
 71 for the purpose of carrying out the provisions of sections 17.51
 72 to 17.69, and in securing uniformity of administration and
 73 enforcement.

74 No change for subd 4 to 5

017*#60S

1 17.60 COMPENSATION AND EXPENSES.

2 Each member of a council, except the commissioner, shall be
3 entitled to a reasonable per diem, not exceeding the same rate
4 of compensation per day as is authorized for payment to members
5 of advisory councils and committees pursuant to section 15.059,
6 subdivision 3, while engaged in the performance of his duties, *
7 and actual expenses incurred while attending council meetings or
8 executive committee meetings. Payments to council members for
9 other official business of the council require approval by the
10 council.

017*#63S

11 17.63 REFUND OF FEES.

12 Any producer may, by the use of forms to be provided by the
13 commissioner and upon presentation of such proof as the
14 commissioner requires, have the check-off fee paid pursuant to
15 sections 17.51 to 17.69 refunded to him, provided the check-off *
16 fee was remitted on a timely basis. The request for refund must
17 be received in the office of the commissioner within the time
18 specified in the promotion order following the payment of the
19 check-off fee. In no event shall these requests for refund be
20 accepted more often than 12 times per year. Refund shall be
21 made by the commissioner and council within 30 days of the
22 request for refund provided that the check-off fee sought to be
23 refunded has been received. Rules governing the refund of
24 check-off fees for all commodities shall be formulated by the
25 commissioner, shall be fully outlined in the promotion order,
26 and shall be available for the information of all producers
27 concerned with the referendum.

017*#64S

28 17.64 TERMINATION OF THE ORDER.

29 No change for subd 1

30 Subd. 2. BY REFERENDUM. Upon petition of the same
31 number of producers as required to initiate the promotional
32 order, the commissioner shall within 60 days conduct a
33 referendum to determine whether or not the promotional order
34 shall be continued. He The commissioner shall terminate the *
35 order at the end of the current marketing year if a majority of
36 the producers voting in the referendum vote in favor of
37 termination. The petition of producers shall include a
38 statement certifying that the signatures are those of qualified
39 producers of the commodity involved. The commissioner shall not
40 conduct a referendum for termination of a promotional order if a
41 referendum for termination of the same promotional order has
42 been conducted within the preceding year. A hearing for a
43 termination of an order need not be held as provided in chapter
44 14.

017*#693S

45 17.693 DEFINITIONS.

46 No change for subd 1 to 3

47 Subd. 4. "Producer" means any person, who in any one
48 calendar year within the previous two calendar years, produces
49 or causes to be produced any agricultural commodity in quantity
50 beyond his the person's own family use, and who is able to *
51 transfer, during the calendar year, to a handler or an
52 association a merchantable title to the agricultural commodity
53 or provide management, labor, machinery, facilities, or any
54 other production input, with the assumption of risk, for the
55 production of the agricultural commodity under a written
56 contract.

57 Subd. 5. "Agricultural commodity" includes all
58 agricultural goods produced under contract for marketing as
59 defined by the commissioner of agriculture. It does not include
60 any commodity sold by a producer to another producer for his the *
61 other's own exclusive use and not for resale. The kinds, types *
62 and subtypes of products to be classed together as an
63 agricultural commodity for the purposes of sections 17.691 to
64 17.701 shall be determined by the commissioner on the basis of
65 common usage and practice.

66 Subd. 6. "Handler" means a person, other than an
67 association, engaged in the business or practice of acquiring
68 agricultural commodities from producers or associations for
69 processing or sale; grading, packaging, handling, storing or
70 processing agricultural commodities received from producers or
71 associations; contracting or negotiating contracts or other
72 arrangements with producers or associations with respect to the

1 production of any agricultural commodity; or acting as an agent
 2 or broker for a handler in the performance of any function or
 3 act specified above. It does not include a producer who sells
 4 at a retail establishment which ~~he~~ the producer owns and *
 5 operates or who sells at a produce market, agricultural *
 6 commodities produced by ~~him~~ the producer and agricultural *
 7 commodities produced by another producer subject to value
 8 limitation established by the commissioner.

9 Subd. 7. "Commissioner" means the commissioner of
 10 agriculture of the state of Minnesota or ~~his~~ a designated *
 11 authority.

12 No change for subd 8
 017*#694S

13 17.694 ACCREDITATION.

14 No change for subd 1

15 Subd. 2. In determination of accreditation, the
 16 commissioner shall determine whether bargaining shall be
 17 appropriate by plant, processor, or company. This determination
 18 shall be the unit area for the bargaining provisions of sections
 19 17.691 to 17.701 as is applicable to associations and handlers.
 20 In making ~~his~~ a determination, the commissioner shall define as *
 21 appropriate the largest bargaining unit area in terms of the
 22 quantity of the agricultural commodity produced, the definition
 23 of the agricultural commodity, geographic area covered and
 24 number of producers included as is consistent with the following
 25 criteria:

26 (a) The community of interest of the producers included;

27 (b) The potential serious conflicts of interests among
 28 members of the proposed unit;

29 (c) The effect of exclusions on the capacity of the
 30 association to effectively bargain for the bargaining unit as
 31 defined;

32 (d) The kinds, types and subtypes of products to be classed
 33 together as agricultural commodity for which the bargaining unit
 34 is proposed;

35 (e) Whether the producers eligible for membership in the
 36 proposed bargaining unit meet the definition of "producer" for
 37 the agricultural commodity involved;

38 (f) The wishes of the producers;

39 (g) The pattern of past marketing of the commodity.

40 No change for subd 3 to 7

017*#696S

41 17.696 UNFAIR PRACTICES OF HANDLERS AND ASSOCIATIONS.

42 Subdivision 1. Producers of agricultural commodities are
 43 free to join together voluntarily in associations as authorized
 44 by law without interference by handlers. A handler shall not
 45 engage in any of the following practices, defined as unfair
 46 practices:

47 (a) To coerce a producer in the exercise of ~~his~~ the right *
 48 to join and belong to or to refrain from joining or belonging to
 49 an association or to refuse to deal with a producer because of
 50 the exercise of ~~his~~ the right to join and belong to an *
 51 association.

52 (b) To discriminate against a producer with respect to
 53 price, quantity, quality or other terms of purchase, acquisition
 54 or other handling of agricultural products because of ~~his~~ *
 55 membership in or contract with an association.

56 (c) To coerce or intimidate a producer to breach, cancel or
 57 terminate a membership agreement or marketing contract with an
 58 association or a contract with a handler.

59 (d) To pay or loan money, give anything of value or offer
 60 any other inducement or reward to a producer for refusing or
 61 ceasing to belong to an association.

62 (e) To make or circulate unsubstantiated reports about the
 63 finances, management or activities of associations or other
 64 handlers.

65 (f) To conspire, combine, agree or arrange with any other
 66 person to do or aid or abet the doing of any practice which is
 67 in violation of sections 17.691 to 17.701.

68 (g) To refuse to bargain with an association with whom the
 69 handler has had prior dealings or with an association whose
 70 producers in the bargaining units have had dealings with the
 71 handler prior to July 1, 1973.

72 No change for subd 2

017*#697S

73 17.697 BARGAINING DEFINED; NOTICE OF COMMENCEMENT OF

1 NEGOTIATIONS; MEDIATION PROCEDURE.

2 No change for subd 1 to 2

3 Subd. 3. (a) If no agreement is reached at the expiration
4 of ten days after service of such notice to the commissioner,
5 the association may, at any time thereafter, petition the
6 commissioner to assume supervision over the dispute, except as
7 provided for by clause (e).

8 (b) The commissioner shall then set a time and place for
9 conference with the parties to present facts representing each
10 party's case and hearing arguments. The commissioner shall take
11 such steps, in accordance with rules promulgated under sections
12 17.691 to 17.701, as he the commissioner deems expedient to *
13 affect a voluntary, amicable and expeditious adjustment and
14 settlement of the differences between the handler and the
15 association.

16 (c) At any time prior to 15 days before the first day of
17 the marketing year in dispute, if an agreement on the issues in
18 dispute between the association and the handler has not been
19 reached, the handler may elect not to purchase, directly or
20 indirectly, any quantity of the agriculture commodity produced
21 by the association during that marketing year; or, the affected
22 producers may elect not to sell, directly or indirectly, any
23 quantity of the agricultural commodity produced by the
24 association during that marketing year; or, the affected
25 producers may elect not to sell, directly or indirectly, any
26 quantity of the agricultural commodity to the handler during
27 that marketing year.

28 (d) If either party makes an election, the other party is
29 not under an obligation to continue bargaining with the party so
30 electing for terms during the marketing period in dispute. Both
31 parties may, however, engage immediately in bargaining for the
32 following marketing year.

33 (e) If the petition requesting the commissioner to assume
34 supervision over a dispute is presented 15 days or less before
35 the marketing year in dispute, then the commissioner shall
36 exercise ~~his~~ discretionary authority, according to rules *
37 promulgated under sections 17.691 to 17.701, in determining
38 which disputes are arbitrable before the start of the marketing
39 year in dispute.

017*#699S

40 17.699 TIME LIMIT UPON DECISIONS.

41 The commissioner shall announce ~~his~~ findings of fact and *
42 decisions in all cases in which he the commissioner has assumed *
43 supervision during the year previous to the marketing year in
44 dispute by the fifteenth day of the marketing year in dispute.
45 To expedite ~~his~~ decisions, the commissioner may engage the *
46 services of the bureau of mediation services, whose
47 recommendations he shall consider be considered in his the *
48 final determination.

017*#70S

49 17.70 VIOLATION PROCEDURE.

50 No change for subd 1

51 Subd. 2. If the commissioner determines that the person
52 complained of has committed a practice in violation of sections
53 17.691 to 17.701, he the commissioner shall state ~~his~~ findings *
54 of fact and shall issue and cause to be served on the person an
55 order ~~requiring-him~~ to cease the violation and shall order *
56 further affirmative action as will effectuate the policies of
57 sections 17.691 to 17.701.

58 Subd. 3. If the commissioner is of the opinion that the
59 person complained of has not committed a practice in violation
60 of sections 17.691 to 17.701, he the commissioner shall make ~~his~~ *
61 findings of fact and issue an order dismissing the complaint.

62 Subd. 4. Until the record in a case has been filed in a
63 court the commissioner may, at any time upon reasonable notice
64 and in such manner as he the commissioner deems proper, modify *
65 or set aside, in whole or in part, any finding or order ~~he has~~ *
66 made or issued, with jurisdiction for such a change specified in
67 additional findings of fact.

68 Subd. 5. The commissioner may request the attorney general
69 of the state of Minnesota to seek the appropriate temporary
70 relief or restraining order of injunction in district court to
71 insure the enforcement of ~~his~~ the commissioner's findings. *

017*#713S

72 17.713 DEFINITIONS.

73 No change for subd 1 to 4

1 Subd. 4a. COMMISSIONER. "Commissioner" means the
2 commissioner of agriculture or ~~his~~ a designee. *

3 No change for subd 5 to 7

4 Subd. 8. GUARANTEED ANALYSIS. "Guaranteed analysis":
5 (1) Until the commissioner prescribes the alternative form of
6 "guaranteed analysis" in accordance with the provisions of
7 paragraph 2 of this subdivision, the term "guaranteed analysis"
8 shall mean the percentage of plant nutrient content, if claimed,
9 in the following order:

- 10
- 11 (a) Total nitrogenpercent
- 12 Available phosphoric acidpercent
- 13 Soluble potashpercent

14 (b) For unacidulated mineral phosphatic materials and basic
15 slag, bone, tankage and other organic phosphate materials, the
16 total phosphoric acid or degree of fineness, or both, may also
17 be guaranteed.

18 (c) Guarantees for plant nutrients other than nitrogen,
19 phosphorus and potassium may be permitted or required by
20 regulation of the commissioner. The guarantees for such other
21 nutrients shall be expressed in the elemental form. The sources
22 of such other elements, oxides, salt, and chelates, may be
23 required to be stated on the application for registration and
24 may be included as a parenthetical statement on the label.
25 Other beneficial substances or compounds, determinable by
26 laboratory methods, also may be guaranteed by permission of the
27 commissioner and with the advice of the director of the
28 agricultural experiment station. When any plant nutrients or
29 other substances or compounds are guaranteed, they shall be
30 subject to inspection and analyses in accord with the methods
31 and regulations prescribed by the commissioner.

32 (d) Potential basicity or acidity expressed in terms of
33 calcium carbonate equivalent in multiples of 100 pounds per ton,
34 when required by regulation.

35 (2) When the commissioner finds, after public hearing
36 following due notice, that the requirement for expressing the
37 guaranteed analysis of phosphorus and potassium in elemental
38 form would not impose an economic hardship on distributors and
39 users of fertilizer by reason of conflicting labeling
40 requirements among the states, ~~he~~ the commissioner may require *
41 thereafter that the "guaranteed analysis" shall be in the
42 following form:

- 43 Total nitrogenpercent
- 44 Available phosphoruspercent
- 45 Soluble potassiumpercent

46 The effective date of said regulation shall be not less
47 than one year following the issuance thereof, and provided,
48 further, that for a period of two years following the effective
49 date of said regulation the equivalent of phosphorus and
50 potassium may also be shown in the form of phosphoric acid and
51 potash. After the effective date of a regulation issued under
52 the provisions of this section, requiring that phosphorus and
53 potassium be shown in the elemental form, the guaranteed
54 analysis for nitrogen, phosphorus, and potassium shall
55 constitute the grade.

56 (3) "Guaranteed analysis" of a soil amendment or plant
57 amendment shall mean an accurate statement of composition
58 including the percentages of each ingredient. If the product is
59 a microbiological product, the number of viable microorganisms
60 per milliliter for a liquid or the number of viable
61 microorganisms per gram for a dry product must also be listed.

62 No change for subd 9 to 21

017*#718S

63 17.718 TONNAGE REPORT.

64 No change for subd 1 to 2

65 Subd. 3. Submission of each tonnage report shall also be
66 authority for the ~~commissioner-or-his-authorized~~ *
67 ~~agent's~~ commissioner's permission to verify the records upon *
68 which such statement of tonnage is based.

017*#728S

69 17.728 VIOLATIONS; PENALTY.

70 No change for subd 1 to 2a

71 Subd. 3. COMMISSIONER'S DISCRETION. Nothing in
72 sections 17.711 to 17.729 shall be construed as requiring the
73 commissioner to (1) report for prosecution, (2) institute
74 seizure proceedings, or (3) issue a withdrawal from distribution

1 (stop sale) order, as a result of minor violations of sections
 2 17.711 to 17.729 or when ~~he~~ the commissioner believes the public
 3 interest will be best served by a suitable notice of warning in
 4 writing. *

5 No change for subd 4 to 5

017A#03S

6 17A.03 DEFINITIONS.

7 No change for subd 1 to 2

8 Subd. 3. COMMISSIONER. "Commissioner" means the
 9 commissioner of agriculture or ~~his~~ the commissioner's
 10 representative. *

11 No change for subd 4 to 6

12 Subd. 7. LIVESTOCK DEALER. "Livestock dealer" means
 13 any person, including a packing company, engaged in the business
 14 of buying or selling livestock for ~~his-or-her~~ the person's own
 15 account or for the account of others. *

16 "Livestock dealer" does not include:

17 (a) Persons licensed under section 28A.04 who are primarily
 18 engaged in the sale of meats at retail and persons operating as
 19 frozen food processing plants as defined in section 31.185; and

20 (b) Persons engaged in the business of farming, when
 21 purchasing livestock for breeding or herd replacement purposes
 22 or feeding programs, and when selling the livestock they have
 23 owned and raised, fed out or fattened for slaughter in their
 24 specific farming program.

25 Subd. 8. AGENT. "Agent" means any individual who is
 26 engaged by a livestock dealer to act as ~~his~~ the dealer's
 27 representative. *

28 No change for subd 9 to 15

017A#04S

29 17A.04 LICENSES.

30 Subdivision 1. LICENSING PROVISIONS. Licenses shall
 31 be issued to livestock market agencies and public stockyards
 32 annually and shall expire on December 31 each year, renewable
 33 annually thereafter. The license issued to a livestock market
 34 agency and public stockyard shall be conspicuously posted at the
 35 licensee's place of business. Licenses shall be required for
 36 livestock dealers and their agents for the period beginning July
 37 1 each year and ending June 30. The license issued to a
 38 livestock dealer or the agent of a livestock dealer shall be
 39 carried by the person so licensed. The livestock dealer shall
 40 be responsible for the acts of ~~his~~ the dealer's agents. *

41 Licensed livestock market agencies, public stockyards, and
 42 livestock dealers shall be responsible for the faithful
 43 performance of duty of the public livestock weighers at their
 44 places of business. The license issued to a livestock market
 45 agency, public stockyard or livestock dealer or agent of a
 46 livestock dealer is not transferable. The operation of
 47 livestock market agencies, livestock dealers, agents and packers
 48 at a public stockyard are exempt from sections 17A.01 to 17A.09,
 49 17A.12 to 17A.15, and 239.27.

50 No change for subd 1a to 2

51 Subd. 3. FINANCIAL STATEMENT OR VOLUME REPORT. Each
 52 new applicant for a license to operate as a livestock market
 53 agency or livestock dealer shall file with ~~his~~ the application a
 54 current balance sheet and financial statement and shall with
 55 each subsequent annual renewal application file a report of ~~his~~
 56 the business volume for the preceding calendar or fiscal year on
 57 a form prescribed by the commissioner, which report shall be for
 58 the purpose of determining the amount and adequacy of the
 59 applicant's bond. The commissioner may at any time require an
 60 applicant or licensee to submit a current balance sheet and
 61 financial statement if ~~he~~ the commissioner deems it necessary
 62 for the protection of the public. *

63 Subd. 4. SURETY BONDS REQUIRED. Each livestock
 64 market agency and livestock dealer applying for a license under
 65 Laws 1974, Chapter 347 shall file with the commissioner a valid
 66 and effective bond issued by a surety company licensed to do
 67 business in this state, or meeting the requirements of section
 68 17A.05, in the form and amount set forth in section 17A.05. No
 69 bond shall be required of a public stockyard or any agent of a
 70 bonded livestock dealer. The commissioner may at any time raise
 71 or lower bond requirements if it appears that a modification of
 72 such bond requirements is justified and ~~in-his-judgment~~
 73 protect the public. The bonds of livestock market agencies and
 74 dealers whose residence or principal place of business is within *

1 the state of Minnesota shall name the commissioner as the
2 trustee. Any license issued under Laws 1974, Chapter 347 shall
3 automatically become void upon the termination of the surety
4 bond covering the licensed operations.

5 No change for subd 5

6 Subd. 6. REFUSAL TO LICENSE. The commissioner shall
7 refuse to issue a livestock market agency or livestock dealer
8 license if the applicant has not filed a surety bond in the form
9 and amount required under sections 17A.04 and 17A.05; the
10 commissioner may refuse to issue a license if the applicant (1)
11 has not satisfactorily demonstrated by a current balance sheet
12 and financial statement that the applicant's assets exceed ~~his~~ *
13 liabilities; (2) has been found by the department to have failed
14 to pay, without reasonable cause, obligations incurred in
15 connection with livestock transactions; (3) has failed to
16 maintain and operate livestock or monorail scales in a manner to
17 ensure accurate and correct weights; or (4) has failed to comply
18 with other statutes, rules, or regulations enforced by the
19 commissioner, the board of animal health, the division of
20 weights and measures of the department of public service, or the
21 federal Packers and Stockyards Administration.

22 Subd. 7. REVOCATION OF LICENSE. Whenever the
23 commissioner finds that any livestock market agency or livestock
24 dealer has violated the provisions of this chapter, or has
25 failed to comply with other laws, rules, or regulations enforced
26 by the board of animal health, the division of weights and
27 measures of the department of public service, or the federal
28 Packers and Stockyards Administration, the commissioner may, by
29 order, pursuant to the provisions of chapter 14, and this
30 subdivision, revoke the license of the offender. Before any
31 such license shall be revoked, the licensee shall be furnished
32 with a statement of the complaints made against ~~him~~ the *
33 licensee, and a hearing shall be had before the commissioner *
34 upon at least ten days notice to the licensee to determine
35 whether such license shall be revoked, which notice may be
36 served either by certified mail addressed to the address of the
37 licensee as shown in ~~his~~ the license application or in the *
38 manner provided by law for the service of a summons. At the
39 time and place fixed for hearing, the commissioner or any
40 official, employee or agent of the department authorized by the
41 commissioner, shall receive evidence, administer oaths, examine
42 witnesses, hear the testimony and thereafter file an order
43 either dismissing the proceedings or revoking the license.

44 No change for subd 8

017A#05S

45 17A.05 AMOUNT OF BONDS.

46 Subdivision 1. LIVESTOCK MARKET AGENCIES. The amount
47 of each livestock market agency bond filed with the commissioner
48 shall be not less than \$10,000 or such larger amount as
49 required, based on the commissioner's consideration of the
50 principal's financial statement, the volume of business ~~he~~ *
51 reports reported, or any other factor the commissioner deems *
52 pertinent for the protection of the public. Each such bond
53 shall be executed on a Packers and Stockyards Act form and shall
54 contain the condition clause applicable when the principal sells
55 on commission. A bond equivalent executed in accordance with
56 the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181
57 et seq.) is acceptable.

58 Subd. 2. LIVESTOCK DEALERS. The amount of each
59 livestock dealer bond filed with the commissioner shall be not
60 less than \$5,000 or such larger amount as required, based on the
61 commissioner's consideration of the principal's financial
62 statement, the volume of business ~~he-reports reported~~, or any *
63 other factor the commissioner deems pertinent for the protection
64 of the public. Each such bond shall contain the condition
65 clause applicable when the principal buys on commission or as a
66 dealer. A livestock dealer's bond shall be executed on a form
67 furnished by the commissioner or in accordance with the Packers
68 and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

69 When a bond is executed on a state form furnished by the
70 commissioner, the bond shall be for the protection of both the
71 buyer and the seller named in the transaction when the principal
72 fails to pay when due for livestock purchased or sold for ~~his~~ *
73 the principal's own account or the account of others and shall *
74 be limited to the protection of claimants whose residence or
75 principal place of livestock business is in the state of

1 Minnesota at the time of the transaction. If the bond is filed
 2 on a form in accordance with the Packers and Stockyards Act, the
 3 bond shall cover claimants regardless of place of residence.

017A#06S

4 17A.06 CLAIMS AGAINST BONDS.

5 Subdivision 1. FILING OF CLAIMS. Any person
 6 claiming to be damaged by any breach of the conditions of a bond
 7 given by a licensee may enter complaint thereof to the
 8 commissioner, which complaint shall be a written statement of
 9 the facts constituting the complaint, accompanied by documentary
 10 proof of ~~his~~ the claim against the licensee. *

11 No change for subd 2

12 Subd. 3. PUBLIC NOTICE. Prior to a hearing, the
 13 commissioner shall publish a notice setting forth the default of
 14 the licensee and requiring all claimants to file proof of claim
 15 with the commissioner within 45 days of the date such notice is
 16 published or be barred from participating in the proceeds of the
 17 bond. Such publication shall be made in a newspaper published
 18 in the county in which the ~~licensee has his~~ licensee's principal
 19 place of business is located. The commissioner shall also
 20 fulfill any notice requirements prescribed by chapter 14 and
 21 rules of the office of administrative hearings. No claim shall
 22 be allowed unless it is filed with the commissioner within one
 23 year of the date of the transaction. If a livestock market
 24 agency or livestock dealer has on file a Packers and Stockyards
 25 Act bond and is registered with the Packers and Stockyards
 26 Administration, the terms of the bond or that federal agency's
 27 regulations will control. *

017A#07S

28 17A.07 PROHIBITED CONDUCT.

29 It shall be unlawful for any person to (1) carry on the
 30 business of a livestock market agency, livestock dealer, or
 31 public stockyard without a valid and effective license issued by
 32 the commissioner under the provisions of section 17A.04; (2)
 33 carry on the business of a livestock market agency or livestock
 34 dealer without filing and maintaining a valid and effective
 35 surety bond in conformity with sections 17A.04 and 17A.05; (3)
 36 carry on the business of a livestock market agency or livestock
 37 dealer if ~~he~~ the person cannot pay ~~his~~ debts as they become due
 38 or ceases to pay ~~his~~ debts in the ordinary course of business as
 39 they become due; (4) use or allow to be used any livestock scale
 40 or monorail scale which has not been certified and approved for
 41 official use or has been found to be inaccurate; (5) fail to
 42 maintain and operate livestock or monorail scales in a manner to
 43 ensure accurate and correct weights; (6) weigh livestock or
 44 carcasses at other than true and correct weights or issue
 45 accounts and records on the basis of inaccurate or incorrect
 46 weights; (7) engage in or use any unfair or deceptive practice
 47 or device in connection with marketing of livestock; (8)
 48 willfully make or cause to be made any false entry or statement
 49 of fact in any application, financial statement or report filed
 50 with the department under this chapter. *

017A#08S

51 17A.08 RECORD KEEPING.

52 Every person shall make and retain such accounts, records,
 53 and memoranda necessary to fully and correctly disclose all
 54 transactions involved in ~~his~~ the person's business, including
 55 the true ownership of such business by stockholding or otherwise. *

56 Whenever the commissioner finds that the accounts, records, and
 57 memoranda of any such person do not fully and correctly disclose
 58 all transactions involved in ~~his~~ the person's business, the
 59 commissioner may prescribe the manner or form and length of time
 60 for retention which such accounts, records, and memoranda shall
 61 be kept. The commissioner shall at all reasonable times have
 62 access to, for the purpose of examination, and the right to copy
 63 any documentary evidence of any person being investigated or
 64 proceeded against. *

017A#09S

65 17A.09 FEEDER PIG MARKETS.

66 The commissioner may, by regulations promulgated in
 67 accordance with sections 14.05 to 14.36, establish requirements
 68 for record making and retention, of livestock purchases and
 69 sales by operators of feeder pig markets, as ~~he~~ the commissioner
 70 deems necessary ~~and in his judgment will~~ to protect the public. *

017A#13S

71 17A.13 GROSS MISDEMEANORS.

1 Any weigher who shall knowingly or carelessly weigh any
2 livestock improperly, or give any false certificate of weight,
3 or accept money or other consideration directly or indirectly
4 for any neglect or improper performance of duty, or who shall be
5 guilty of any neglect of duty, and any person who shall
6 improperly influence or attempt to influence any such weigher in
7 the performance of ~~his~~ a duty by preventing ~~his~~ proper access to
8 the scales used in the weighing of livestock, or otherwise, is
9 guilty of a gross misdemeanor. *

017A#15S

10 17A.15 POWERS AND DUTIES OF THE COMMISSIONER.

11 The commissioner shall enforce the provisions of Laws 1974,
12 Chapter 347 and shall promulgate, in the manner provided by law,
13 such rules and regulations as ~~he~~ the commissioner deems
14 necessary or desirable, and may cooperate with any department of
15 state or government, to carry out the provisions of sections
16 17A.01 to 17A.15. The commissioner or ~~his~~ a duly-authorized
17 agent shall have the power to issue subpoenas, administer oaths
18 and affirmations, examine witnesses, receive evidence, and shall
19 have the power to require by subpoena the attendance and
20 testimony of witnesses and the production of all such
21 documentary evidence relating to any matter under investigation
22 or administrative proceeding. *

017B#02S

23 17B.02 DEFINITIONS.

24 No change for subd 1 to 2

25 Subd. 3. COMMISSIONER. "Commissioner" means the
26 commissioner of agriculture or ~~his~~ the commissioner's authorized
27 representative. *

28 No change for subd 4

017B#04S

29 17B.04 STATE INSPECTION AND WEIGHING.

30 No change for subd 1

31 Subd. 2. SHIPPER TO AFFIX TAGS. Every shipper of
32 grain shall fasten upon the inside of each car shipped ~~by him~~ a
33 card giving the number and initials or other distinctive mark of
34 such car, the date of shipment, and the exact weight of the
35 grain in such car, as claimed by the shipper. If ~~he~~ the shipper
36 fails to do so, the official weight shall be prima facie
37 evidence of the quantity of grain shipped in such car. *

38 No change for subd 3

017B#06S

39 17B.06 BOARD OF GRAIN STANDARDS.

40 There is hereby created a board of grain standards. The
41 board shall consist of the head of the grain inspection program
42 of the department and two ~~of his~~ principal assistants selected
43 by the commissioner for terms specified by the commissioner. *

44 This board shall have jurisdiction over all grain standards
45 hereafter established in Minnesota.

017B#10S

46 17B.10 STANDARD SAMPLES.

47 The commissioner shall furnish standard samples of grain of
48 each Minnesota grade to any grain warehouseman warehouse
49 operator in the state, upon request and payment of the actual
50 cost thereof. *

017B#11S

51 17B.11 DUTY OF INSPECTORS.

52 The commissioner shall inspect and grade all grain received
53 at any terminal warehouse when requested to do so by any person
54 having a contractual or other financial interest in such grain
55 as the owner, seller, purchaser, warehouseman warehouse
56 operator, or carrier or otherwise. ~~He~~ The commissioner shall
57 provide inspection service for interhouse transfers or when
58 grain is "run for grade" within a house if requested by
59 the warehouseman warehouse operator. All rights and privileges
60 covering reinspection and appeal in all such cases are hereby
61 preserved to all interested parties. *

017B#12S

62 17B.12 APPEALS; PROCEDURE.

63 Any owner, consignee, or shipper of grain, or any
64 warehouseman warehouse operator, who is dissatisfied with the
65 inspection of grain may appeal to the board of grain standards
66 by filing notice of such appeal with the commissioner and paying
67 a fee, to be fixed by the commissioner, which shall be refunded
68 if the appeal is sustained. The commissioner shall forthwith
69 transmit the notice to said board of grain standards. The *

1 decision of said board, fixing the grade of such grains shall be
2 final.

017B#14S

3 17B.14 RECORDS AND CERTIFICATES.

4 Subdivision 1. FURNISHING OF CERTIFICATES; EVIDENCE.

5 Every weigher shall keep such records as may be prescribed by
6 the commissioner, and shall furnish to any person for whom
7 weighing is done a signed certificate under-his-hand, showing *
8 the amount of each weight, the number and initial letter or
9 other distinctive mark of each car weighed, the place and date
10 of weighing, and the contents of the car. Such certificate
11 shall be prima facie evidence of the facts therein certified.

12 No change for subd 2

13 Subd. 3. DUPLICATE TO BE DELIVERED TO BUYER. Within
14 ten days from the delivery of any certificate, as provided in
15 subdivision 2, the person receiving the same shall deliver to
16 the local buyer at the place where such grain or other farm
17 commodity is purchased, stored, or deposited, one of the
18 duplicate certificates and the same shall be retained by such
19 local buyer in his the buyer's office or place of business for *
20 30 days thereafter and be subject to examination by any person
21 desiring to inspect same.

22 No change for subd 4

017B#15S

23 17B.15 FEES FOR INSPECTION AND WEIGHING; DEDICATED
24 ACCOUNT.

25 Subdivision 1. ADMINISTRATION; APPROPRIATION. The
26 fees for inspection and weighing shall be fixed by the
27 commissioner and be a lien upon the grain. The commissioner
28 shall set fees for all inspection and weighing in an amount
29 adequate to pay the expenses of carrying out and enforcing the
30 purposes of sections 17B.01 to 17B.23, including the portion of
31 general support costs and statewide indirect costs of the agency
32 attributable to that function, with a reserve sufficient for up
33 to six months, and including repayment by the department of any
34 amount appropriated from the general fund to establish the grain
35 inspection and weighing account. The commissioner shall review
36 the fee schedule twice each year. Fee adjustments are not
37 subject to chapter 14. Payment shall be required for services
38 rendered. If the grain is in transit, the fees shall be paid by
39 the carrier and treated as advance charges, and, if received for
40 storage, the fees shall be paid by the warehouseman warehouse
41 operator, and added to the storage charges. *
42

43 All fees collected and all fines and penalties for
44 violation of any provision of this chapter shall be deposited in
45 the grain inspection and weighing account, which is created in
46 the state treasury for carrying out the purpose of sections
47 17B.01 to 17B.23. The money in the account is annually
48 appropriated to the commissioner of agriculture to administer
49 the provisions of sections 17B.01 to 17B.23.

49 Subd. 2. Repealed, 1983 c 300 s 28

50 No change for subd 3

017B#16S

51 17B.16 QUALIFICATIONS.

52 No inspector, sampler, nor weigher shall during his that
53 person's term of service be in any way interested in the *
54 handling, storing, shipping, purchasing, or selling of grain or
55 any of its products, nor in the employment of any person engaged
56 therein, nor shall he the inspector, sampler, or weigher be a *
57 member of any board of trade or organization of like character.

017B#18S

58 17B.18 OBSTRUCTING WEIGHER.

59 Any person who shall obstruct any state weigher in the
60 performance of his the weigher's official duties, by preventing *
61 his proper access to the scales used in weighing grain or *
62 otherwise, is guilty of a misdemeanor.

017B#20S

63 17B.20 BREAKING OF SEALS; PENALTY; EXAMINATION OF CARS.

64 Subdivision 1. WHO MAY BREAK SEALS. No person shall
65 knowingly break the seal on any car of grain subject to state
66 inspection prior to delivery thereof, except the employees of
67 the department, and the owner of the grain, or his the owner's *
68 authorized agent, under rules prescribed by the commissioner.

69 No change for subd 2

70 Subd. 3. EXAMINATION OF CARS. An employee of the
71 department before opening the doors of any cars containing

1 grain, upon their arrival at any of the several places
 2 designated by law as terminal points in this state, for the
 3 purposes of inspecting the same, shall first ascertain the
 4 condition of such cars and determine whether any leakages have
 5 occurred while the cars were in transit; also whether or not the
 6 doors were properly secured and sealed, making a record of such
 7 facts in all cases and recording the same in a proper book to be
 8 kept for the purpose. After such examination shall have been
 9 made and recorded and the inspection of such grain has been
 10 made, the above mentioned employee shall securely close and
 11 reseal such car doors as have been opened ~~by him~~, using a *
 12 special seal of the department for the purpose. A record of all
 13 original seals broken by the employee and the time when broken,
 14 a record of all state seals substituted therefor and the time
 15 when such state seals were substituted, together with a full
 16 description of the seals, with their numbers, shall be made by
 17 the employee.

017B#22S

18 17B.22 EMPLOYEE; MISCONDUCT; PERSONATION.

19 No change for subd 1

20 Subd. 2. MISCONDUCT OF EMPLOYEES. Any employee of
 21 the department who shall knowingly or carelessly inspect or
 22 weigh any grain improperly, or give any false certificate of
 23 inspection or weight, or accept money or other consideration
 24 directly or indirectly for any neglect or improper performance
 25 of duty or who shall be guilty of any neglect of duty, and any
 26 person who shall improperly influence or attempt to influence
 27 any such officer in the performance of ~~his~~ an official duty *
 28 shall be guilty of a gross misdemeanor.

29 Subd. 3. Repealed, 1977 c 347 s 9

017B#28S

30 17B.28 POWERS AND DUTIES OF THE COMMISSIONER.

31 The commissioner shall enforce the provisions of Laws 1974,
 32 Chapter 548 including semiannual adjustment of the fees for
 33 services rendered and shall promulgate, in the manner provided
 34 by law, such rules and regulations as ~~he~~ the commissioner deems *
 35 necessary or desirable to carry out the provisions of sections
 36 17B.01 to 17B.29. Until such regulations are promulgated, the
 37 rules and regulations of the public service commission, Chapter
 38 Five, PSC 150 to 169, as amended, promulgated pursuant to
 39 Minnesota Statutes, Sections 14.05 to 14.36, and not
 40 inconsistent with sections 17B.01 to 17B.29, shall remain in
 41 full force and effect and shall be enforced by the commissioner
 42 until amended or repealed by the commissioner in accordance with
 43 the administrative procedure act.

018*#012S

44 18.012 POLICY.

45 The purpose of this local pest control act is to authorize
 46 subdivisions of state government to establish and fund their own
 47 programs to control pests that may be detrimental to the health
 48 and welfare of ~~man~~ humans or animals and to the environment. To *
 49 assure that these local programs are conducted in a safe and
 50 proper manner, these programs must be formulated and conducted
 51 in accordance with the directions and recommendations prescribed
 52 by the commissioner.

018*#023S

53 18.023 SHADE TREE DISEASE CONTROL.

54 No change for subd 1 to 4

55 Subd. 5. TREE INSPECTOR. (a) Within 75 days from
 56 March 31, 1974, the governing body of each municipality shall
 57 appoint a qualified person to administer the rules and
 58 regulations of the commissioner or the more stringent shade tree
 59 disease control ordinance who shall be known as the tree
 60 inspector. In accordance with the provisions of section 471.59,
 61 two or more municipalities may jointly appoint a tree inspector
 62 for the purpose of administering the regulations or ordinance
 63 within their communities. In those municipalities which have
 64 not appointed a tree inspector upon the expiration of 75 days
 65 from March 31, 1974, the commissioner may appoint a tree
 66 inspector to serve the municipality until the municipality has
 67 made an appointment. If the commissioner is unable to make such
 68 appointment ~~he~~, the commissioner may assign a qualified employee *
 69 of the department of agriculture to perform the duties of the
 70 tree inspector. The expense of a tree inspector appointed by
 71 the commissioner shall be paid by the municipality. If an
 72 employee of the department of agriculture performs such duties

1 the expense shall be billed to the municipality and paid into
2 the state treasury and credited to the general fund.

3 (b) Upon a determination by the commissioner that a
4 candidate for the position of the inspector is qualified, he the *
5 commissioner shall issue a certificate of qualification to the *
6 tree inspector ~~that he is so qualified~~. Any person certified as *
7 a tree inspector by the commissioner is authorized upon prior
8 notification to enter and inspect any public or private property
9 which might harbor diseased shade trees.

10 (c) The commissioner may upon notice and hearing, decertify
11 any tree inspector when it appears ~~to him~~ that said tree *
12 inspector has failed to act competently or in the public *
13 interest in the performance of ~~his~~ duties. Such notice shall be *
14 provided and the hearing conducted in accordance with the
15 provisions of chapter 14, governing contested case proceedings.
16 Nothing in this clause shall limit or otherwise affect the
17 authority of a municipality to dismiss or suspend a tree
18 inspector at its discretion; except as otherwise provided by law.

19 Subd. 6. Repealed, 1977 c 90 s 15

20 No change for subd 7 to 13

018*#071S

21 18.071 ABATEMENT BOARD.

22 Whenever any governmental unit has decided, in the manner
23 required by section 18.061 to engage in mosquito abatement, the
24 governing body of the governmental unit shall appoint three
25 freeholders of the unit to serve as members of a mosquito
26 abatement board, which board shall have the powers specified in
27 section 18.091. Each member of said board shall hold office at
28 the pleasure of the governing body appointing him that member *
29 and shall serve without compensation, except that board members
30 may be reimbursed for actual expenses incurred in fulfillment of
31 their duties on the board not in excess of \$60 annually.

018*#081S

32 18.081 OFFICERS; MEETINGS.

33 Immediately after their appointment and at the first
34 meeting in each calendar year thereafter the board shall elect
35 one of their number as chairman chair, one as secretary, and one *
36 as treasurer, and shall elect such other officers as they
37 consider necessary. The board shall provide for the time and
38 place of holding regular meetings and may establish rules for
39 proceedings. All meetings of the board shall be open to the
40 public. Two members of the board shall constitute a quorum, but
41 one member may adjourn from day to day. The board shall keep a
42 written record of its proceedings and an itemized account of all
43 expenditures and disbursements and such record and account shall
44 be open at all reasonable times for public inspection.

018*#111S

45 18.111 TAX LEVY; COLLECTION; CERTIFICATES OF
46 INDEBTEDNESS.

47 No change for subd 1 to 2

48 Subd. 3. All moneys received for mosquito abatement
49 purposes, either by way of tax collection or the sale of
50 certificates of indebtedness, shall be deposited in the treasury
51 of the governmental unit to the credit of a special fund to be
52 designated as the mosquito abatement fund, shall not be used for
53 any other purpose, and shall be drawn upon by the proper
54 officials of the governmental unit upon the properly
55 authenticated voucher of the mosquito abatement board. No money
56 shall be paid from such fund except on orders drawn upon the
57 officer of the governmental unit having charge of the custody of
58 the mosquito abatement fund and signed by the chairman chair and *
59 the secretary of the mosquito abatement board. Each mosquito
60 abatement board shall annually file with the governing body of
61 its governmental unit an itemized statement of all receipts and
62 disbursements.

018*#121S

63 18.121 RULES, MOSQUITO ABATEMENT.

64 Subdivision 1. The commissioner of agriculture, (a) may
65 establish rules and regulations for the conduct of mosquito
66 abatement operations of governmental units and boards engaged in
67 mosquito abatement; (b) shall approve mosquito control plans and
68 budgets of mosquito control boards before such plans can be put
69 into operation; (c) may, if ~~he consider~~ the commissioner *
70 considers it necessary, modify or revoke any approval he the *
71 commissioner may have given to any mosquito control plan upon *
72 written notice to the governing body or mosquito abatement

1 board; and (d) shall be ex officio a member of each mosquito
 2 abatement board, and ~~he~~ the commissioner may appoint *
 3 representatives to act for ~~him~~ the commissioner as ex officio *
 4 member of any such board.

5 Subd. 2. The commissioner of natural resources shall
 6 approve mosquito abatement plans or make such modifications as
 7 ~~he~~ the commissioner deems necessary for the protection of public *
 8 water, wild animals and natural resources before control
 9 operations are started and any such approval may, if ~~he~~ the *
 10 commissioner considers it necessary, be modified or revoked by *
 11 the commissioner of natural resources at any time upon written
 12 notice to the governing body or mosquito abatement board.

13 No change for subd 3

018*#131S

14 18.131 COOPERATION BETWEEN GOVERNMENTAL UNITS.

15 When two or more adjacent governmental units shall have
 16 authorized mosquito abatement and appointed the members of the
 17 mosquito abatement board, the governing bodies of any such two
 18 or more governmental units may, by written contract, arrange for
 19 pooling mosquito abatement funds, apportioning all costs,
 20 cooperating in the use of equipment and personnel and for
 21 engaging jointly in mosquito abatement upon such terms and
 22 conditions and subject to such rules and regulations as may be
 23 mutually agreed upon. The immediate control and management of
 24 the joint project may, by the terms of the written contract, be
 25 entrusted to a joint committee composed of the ~~chairman~~ chair of *
 26 each of the boards or such other board members as may be agreed
 27 upon.

018*#181S

28 18.181 ENFORCEMENT; REGULATIONS.

29 ~~The commissioner is hereby authorized, and it shall be his~~ *
 30 ~~duty, to~~ shall execute sections 18.181 to 18.271 and, to that *
 31 end, ~~he~~ may make and enforce such regulations as, in ~~his~~ the *
 32 commissioner's judgment, shall be necessary; ~~he~~ the commissioner *
 33 shall investigate the subject of noxious weeds, and to that end
 34 may require information from any local weed inspector, mayor,
 35 county commissioner, or county agent as to the presence of
 36 noxious weeds or other information relative to noxious weeds and
 37 their control in the localities where such officer resides or
 38 has jurisdiction; and ~~he~~ the commissioner may enter, or have *
 39 someone ~~for him~~ enter, upon any and all lands in the state and *
 40 take such samples of weeds, weed seeds, grains, or other
 41 material needed for investigation of noxious weeds. ~~He~~ The *
 42 commissioner shall also suggest and formulate methods for the *
 43 eradication and removal of noxious weeds from agricultural and
 44 other lands in this state and to that end may, from time to
 45 time, publish and circulate bulletins, call and attend meetings
 46 and conventions dealing with the subject of noxious weeds, and
 47 may conduct such educational campaign as ~~he~~ the commissioner *
 48 considers desirable.

018*#191S

49 18.191 DESTRUCTION OF NOXIOUS WEEDS.

50 Except as otherwise specifically provided in sections
 51 18.181 to 18.271, 18.281 to 18.311, and 18.321 to 18.322, it
 52 shall be the duty of every occupant of land or, if the land is
 53 unoccupied, the owner thereof, or ~~his~~ an agent, or the public *
 54 official in charge thereof, to cut down, otherwise destroy, or
 55 eradicate all noxious weeds as defined in section 18.171,
 56 subdivision 5, standing, being, or growing upon such land, in
 57 such manner and at such times as may be directed or ordered by
 58 the commissioner, ~~his~~ the commissioner's authorized agents, the *
 59 county agricultural inspector, or by a local weed inspector
 60 having jurisdiction.

018*#201S

61 18.201 RAILROAD COMPANIES TO DESTROY NOXIOUS WEEDS ON
 62 THEIR LANDS.

63 It shall be the duty of every railway company and every
 64 suburban railway company to cause all noxious weeds standing,
 65 being, or growing on the right of way or on land of the company
 66 adjoining the right of way, to be cut down, otherwise destroyed
 67 or eradicated in such manner and at such times as may be
 68 directed or ordered by the local weed inspector, the county
 69 agricultural inspector after consultation with the local weed
 70 inspector, or by or at the direction of the commissioner ~~or by~~ *
 71 ~~any one for him~~. If any such company fails to perform such *
 72 duty, the local weed inspector, or the county agricultural

1 inspector, after consultation with the local weed inspector,
 2 shall give the notice provided in section 18.241, subdivision 1,
 3 which shall be served in the manner of serving a summons in a
 4 civil action in the district court. If the weeds are not
 5 removed and destroyed within the time directed in the notice,
 6 the local weed inspector, the county agricultural inspector,
 7 after consultation with the local weed inspector, or the
 8 commissioner shall cause them to be removed and destroyed-
 9 He and shall then furnish to the owner of the land on which the
 10 weeds grew an itemized statement showing the reasonable cost of
 11 cutting and destroying the weeds, and the owner of the land must
 12 pay such reasonable cost to the municipality which caused the
 13 destruction thereof. If such owner fails to pay such reasonable
 14 cost within 20 days after such statement is furnished, the
 15 reasonable cost of removal and destruction of such weeds may be
 16 recovered by the municipality or by the commissioner in a civil
 17 action.

018*#231S

18 18.231 INSPECTORS.

19 Subdivision 1. COUNTY AGRICULTURAL INSPECTORS. The
 20 board of county commissioners, when requested by the
 21 commissioner of agriculture, shall appoint one or more county
 22 agricultural inspectors, who shall meet qualifications
 23 prescribed by the commissioner of agriculture, whose duties
 24 shall be to see that the provisions of all laws and regulations
 25 dealing with weed control and seed inspection are carried out;
 26 to participate in insect and plant disease, economic poison,
 27 feed, and fertilizer programs. When requested by the
 28 commissioner, they are to participate in other agricultural
 29 programs which are under ~~his~~ the commissioner's control,
 30 provided that the board of county commissioners shall have the
 31 right to veto participation in such programs. Such appointment
 32 shall be for full time employment, or for a period of time
 33 mutually agreeable to the board of county commissioners and the
 34 commissioner of agriculture. The resolution appointing such
 35 inspectors shall fix the compensation to be paid to the person
 36 or persons so appointed. The resolution shall also provide for
 37 manner of reimbursement for necessary traveling expenses in
 38 addition thereto.

39 No change for subd 2

40 Subd. 3. MAYOR OR PRESIDENT OF MUNICIPALITY AS
 41 INSPECTOR, ASSISTANT, COMPENSATION. The mayor or president
 42 of any municipality shall act as local weed inspector in ~~his~~ the
 43 municipality throughout the year in accordance with the
 44 provisions of sections 18.181 to 18.271, 18.281 to 18.311, and
 45 18.321 to 18.322 relative to local weed inspectors.

46 Any mayor or president of a municipality may appoint
 47 persons to act as assistant weed inspectors in the municipality
 48 who shall have all the powers and authority as the mayor or
 49 president in the capacity of weed inspector.

50 Notice of such appointment shall be sent to the
 51 commissioner within ten days from the date of the appointment.

52 The compensation of such local weed inspectors and
 53 assistant weed inspectors shall be not less than \$1 per hour and
 54 necessary expenses in addition thereto, such hourly compensation
 55 to be the amount determined by the municipal council to be
 56 consistent with the hourly wage rate prevailing in their
 57 community or area for work of like character and to be necessary
 58 to obtain competent inspectors and be paid from the general
 59 revenue fund or other fund of the municipality designated by the
 60 council and shall be in addition to any compensation, and
 61 expenses paid such inspectors or assistant inspectors for other
 62 duties as an official or employee of the municipality.

63 No change for subd 3a to 5

018*#241S

64 18.241 DUTIES OF LOCAL WEED INSPECTORS.

65 Subdivision 1. EXAMINATION OF LAND; NOTICE TO
 66 ERADICATE. It shall be the duty of each local weed inspector
 67 to examine all lands, highways, roads, alleys, and public ground
 68 in the territory over which ~~his~~ the inspector's jurisdiction
 69 extends, for the purpose of ascertaining if the provisions of
 70 sections 18.181 to 18.271, 18.281 to 18.311, and 18.321 to
 71 18.322 and the regulations of the commissioner have been
 72 complied with, and if ~~he~~ the inspector finds that such is not
 73 the case ~~he~~ the inspector shall cause to be given forthwith a
 74 notice, in writing, on a form to be prescribed by the

1 commissioner, to the proper public officer or to the owner or
 2 occupant, or to the agent of any owner of nonresident lands
 3 within the municipality whereon noxious weeds are standing,
 4 being, or growing and in danger of going to seed or otherwise
 5 spreading, requiring ~~him-to-cause~~ the same to be cut down,
 6 otherwise destroyed or eradicated on the lands, in such manner
 7 and within the time or times specified in the notice. ~~He~~ The
 8 inspector shall also attend, when required, such conferences
 9 called by the commissioner for the purpose of receiving
 10 instructions and for a full and free discussion of sections
 11 18.181 to 18.271, 18.281 to 18.311, and 18.321 to 18.322 and
 12 their administration.

13 Subd. 2. REGULATIONS REGARDING TRANSPORTATION.

14 Except as provided in section 21.74, when any person desires to
 15 transport along a public highway materials containing seeds or
 16 other propagating parts of leafy spurge, horse nettle, Austrian
 17 field cress, field bindweed, perennial pepper grass, wild
 18 radish, sow thistle, Canada thistle, hoary alyssum, or any other
 19 noxious weed designated by the commissioner, ~~he~~ the person shall
 20 secure from a local or state weed inspector, or county
 21 agricultural inspector, a written permit for the transportation
 22 of such material. All duly constituted weed inspectors may
 23 issue such permits to persons residing or operating within their
 24 respective weed jurisdictions to regulate the transportation of
 25 such material and to require proper treatment, cleaning,
 26 sterilization or destruction of any such material which has been
 27 or is about to be transported or deposited to prevent the
 28 growing or scattering of any weed seeds or other propagating
 29 parts contained therein. Copies of all permits issued under
 30 this section shall be immediately sent to the commissioner.

31 Except as provided in section 21.74, no grain seed,
 32 screenings, hay forage, straw, soil, gravel, sand, or refuse and
 33 other materials containing seeds and other propagating parts of
 34 leafy spurge, horse nettle, Austrian field cress, field
 35 bindweed, perennial pepper grass, wild radish, sow thistle,
 36 Canada thistle, hoary alyssum or any other noxious weeds
 37 designated by the commissioner shall be transported upon any
 38 public highway unless it be in sacks, bales, boxes or other
 39 containers sufficiently tight and closed or covered with canvas
 40 or otherwise to prevent seeds and other propagating parts of
 41 such weeds from blowing or scattering along the highway or on
 42 other lands or water.

43 Scattering and dumping on land or in water of grain, seed,
 44 and screenings containing seeds and other propagating parts of
 45 noxious weeds in excess of legal limits of weed seeds per pound
 46 in agricultural seed, and of soil, gravel, rubbish, trash, and
 47 other materials containing seeds or other propagating parts of
 48 noxious weeds in harmful amounts as determined by regulation of
 49 the commissioner is prohibited unless such material is
 50 processed, treated, or buried sufficiently deep to destroy
 51 viable seeds and other propagating parts which they contain down
 52 to the limits provided by this section.

53 No change for subd 3

54 Subd. 4. ENTERING UPON LAND NOT TRESPASS. For the
 55 purpose of performing ~~his~~ duties and exercising ~~his~~ powers each
 56 local weed inspector, or county agricultural inspector, the
 57 commissioner or ~~his~~ the commissioner's agents may enter upon any
 58 land without consent of the owner and without being subject to
 59 any action for trespass or any damages.

018*#251S

60 18.251 WEEDS; CUTTING IN GROWING CROPS.

61 When any local weed inspector or county agricultural
 62 inspector deems it necessary, to prevent the spread of noxious
 63 weeds within ~~his~~ the inspector's jurisdiction, to cut down,
 64 otherwise destroy or eradicate a growing crop, or any part
 65 thereof, before proceeding to do so, ~~he~~ the inspector shall
 66 notify, in writing, on a form prescribed by the commissioner,
 67 the mayor of the city or a county commissioner, as the case may
 68 be, to inspect the crop. If on the inspection it is the opinion
 69 of the officer making the same that the weeds, together with the
 70 crop or portion thereof, should be cut down, otherwise destroyed
 71 or eradicated, such cutting or destroying shall be immediately
 72 performed under the direction or by the authority of the local
 73 weed inspector ~~or-by-his-authority~~ or under the direction of the
 74 county agricultural inspector. If the officer making the
 75 inspection is of the opinion that these weeds, together with the

1 crop or portion thereof, should not be cut down, otherwise
 2 destroyed or eradicated, the matter in issue shall be reported
 3 to and determined by the commissioner or by ~~his~~ the
 4 commissioner's agents, whose decision thereon shall be final,
 5 except insofar as the same may be reviewed under the existing
 6 laws in courts, and thereupon if so determined the local weed
 7 inspector or county agricultural inspector shall immediately
 8 cause the weeds together with the crop or a portion thereof, to
 9 be cut down, otherwise destroyed or eradicated. No action or
 10 claim for damages shall be allowed or shall be sustainable
 11 against anyone in respect thereto. Notwithstanding anything
 12 contained herein, the local weed inspector or county
 13 agricultural inspector may cut down, otherwise destroy or
 14 eradicate these weeds, together with the crop, on areas not
 15 exceeding three acres in the aggregate in any one field or crop
 16 of 40 acres or less, other than permanent pasture or meadow,
 17 without any notification or application to the mayor or county
 18 commissioner. After being notified by the local weed inspector
 19 or the county agricultural inspector to inspect a crop, if the
 20 mayor or the county commissioner fails to make such inspection
 21 and to report to the local weed inspector within seven days
 22 after the receipt of a notice to inspect the crop, the local
 23 weed inspector or county agricultural inspector may thereupon
 24 proceed to cut down, otherwise destroy or eradicate such weeds,
 25 together with the crop, to the same extent as though the officer
 26 notified had made an inspection and reported in the affirmative.
 018*#271S

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27 18.271 DESTROYING WEEDS; NOTICES; EXPENSES.

28 No change for subd 1

29 Subd. 2. SERVICE. ~~Whenever~~ A local weed inspector,
 30 who finds it necessary to secure more prompt or definite control
 31 or eradication of noxious weeds in certain special or individual
 32 instances, involving one or a limited number of persons than is
 33 accomplished by the general published notices, ~~he~~ shall cause to
 34 be served individual notices in writing upon the owner and
 35 occupant, if other than the owner, giving specific instructions
 36 and methods when and how certain named weeds are to be
 37 controlled or eradicated. Such methods of control may include
 38 definite systems of tillage, cropping, management and use of
 39 livestock. All individual notices provided for herein shall be
 40 served in the same manner as a summons in a civil action in the
 41 district court or by certified mail. Service on persons living
 42 temporarily or permanently outside of the local weed inspectors'
 43 jurisdiction whose property is vacant or unoccupied may be made
 44 by sending the notice by certified mail to the last known
 45 address of such person, to be ascertained, if necessary, from
 46 the last tax list in the county treasurer's office.

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47 Subd. 3. DESTRUCTION BY INSPECTOR, EXPENSE, PAYMENT.

48 When any person, in compliance with a served notice ~~served-on~~
 49 ~~him~~, or with the provisions of this chapter, fails to cut down,
 50 otherwise destroy or eradicate any noxious weeds or any crop in
 51 which such weeds are intermingled or growing, within the time
 52 and in such manner as the weed inspector may designate, or as
 53 otherwise provided herein, the local weed inspector having
 54 jurisdiction, or if there is no local weed inspector, the county
 55 agricultural inspector or the commissioner, shall cause the same
 56 to be cut down, otherwise destroyed or eradicated at the expense
 57 of the county in which the land affected is situated, and claim
 58 for such expense of serving of notices, together with the cost
 59 of cutting down, otherwise destroying or eradicating the noxious
 60 weeds, is hereby made a legal charge against the county in which
 61 the lands are located. After such cutting down, otherwise
 62 destroying or eradicating of noxious weeds, the officer causing
 63 the same to be done shall file verified and itemized statements
 64 of the costs of all services rendered in connection with serving
 65 of notices and cutting down, otherwise destroying or eradicating
 66 the noxious weeds on each separate tract or lot of land, with
 67 the county auditor in which such lands are located, who shall
 68 immediately issue proper warrants to the persons named therein
 69 for the amount specified. The amount of such expenses is a lien
 70 in favor of the county against the land involved and shall be
 71 certified to by the county auditor, and entered ~~by-him~~ on ~~his~~
 72 the auditor's tax books as a tax upon such land, and shall be
 73 collected as other real estate taxes are collected. The amount
 74 of such expenses, when collected shall be used to reimburse the
 75 county for its expenditure in this regard.

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1 No change for subd 3a
 2 Subd. 4. COSTS AND EXPENSES. Notwithstanding the
 3 provisions of subdivision 3 as they relate to procedures for
 4 payment of costs and expenses incurred, when the local weed
 5 inspector or the assistant weed inspector of a city shall cause
 6 noxious weeds to be cut down, destroyed, or otherwise eradicated
 7 on property within such city under the authority of this
 8 section, the following procedures shall apply for costs and
 9 expenses thus incurred.

10 Notice in writing of the work done and the costs and
 11 expenses involved shall be served on the owner or occupant of
 12 the property in accordance with the individual notice provisions
 13 of subdivision 2. Such notice shall provide a tabulation of the
 14 total costs and expenses involved and shall indicate that if the
 15 total amount is not paid to the city within 30 days or before
 16 the following October 1, whichever is later, the costs and
 17 expenses shall become a lien in favor of the city and a penalty
 18 of eight percent will be added to the amount due as of that date
 19 with the total costs, expenses, and penalty thereupon to be
 20 certified to the county auditor and entered ~~by him~~ on ~~his~~ the
 21 auditor's tax books as a tax upon such land. *

22 Amounts collected by the county auditor under the
 23 provisions of this subdivision when collected shall be paid to
 24 the city to reimburse it for its expenditures in this regard.

018*#272S

25 18.272 PENALTY.

26 Any person who violates any of the provisions of sections
 27 18.181 to 18.271 or who violates any duly adopted regulation of
 28 the commissioner or who neglects, fails, or refuses to comply
 29 with any notice duly issued thereunder by the commissioner, or a
 30 local weed inspector, and duly served upon ~~him~~ the person, or
 31 who fails, refuses, or neglects to perform any duty imposed upon
 32 ~~him~~ by sections 18.181 to 18.271, shall be guilty of a
 33 misdemeanor; and, upon conviction, punished accordingly. *

018*#281S

34 18.281 ENFORCEMENT OF NOXIOUS WEED QUARANTINES;
 35 ASSISTANTS; EQUIPMENT.

36 The commissioner ~~is hereby authorized, and it shall be his~~
 37 ~~duty, to~~ shall administer sections 18.281 to 18.311, and he
 38 shall have authority to make, promulgate, and enforce such rules
 39 and regulations as ~~he~~ the commissioner shall deem necessary, and
 40 cooperate with the dean of the institute of agriculture of the
 41 University of Minnesota in the study of life habits and
 42 eradication methods of noxious weeds; and, from time to time,
 43 shall publish such information upon the subject as may be of
 44 public interest and value to the agricultural communities of the
 45 state. *

46 The commissioner may engage such additional employees and
 47 purchase such equipment and supplies as may be necessary to
 48 carry out the provisions thereof.

018*#291S

49 18.291 COMMISSIONER MAY QUARANTINE AND DESTROY WEEDS.

50 When from investigation or otherwise, it appears to the
 51 commissioner that upon any tract of agricultural land there is
 52 an infestation of noxious weeds beyond the ability of the land
 53 occupant or owner to eradicate, upon request of the owner, or
 54 upon ~~his~~ the commissioner's own motion, ~~he~~ the commissioner
 55 shall take such steps as are necessary to prevent further spread
 56 of such weed growths. To this end, ~~he~~ the commissioner shall
 57 quarantine such portion of each tract of land as may be so
 58 infested and put into immediate operation the necessary means
 59 for the eradication of such weed growths. *

018*#301S

60 18.301 MUST GIVE WRITTEN NOTICE.

61 The commissioner, upon entering upon any tract of land for
 62 the purposes of sections 18.281 to 18.311 shall give written
 63 notice to the owner of such entry and quarantine, if
 64 established, and shall also give the owner written notice of the
 65 completion of ~~his~~ the operation thereon. *

018*#312S

66 18.312 PENALTY.

67 Any person who shall intrude upon any lands placed under
 68 quarantine by direction of the commissioner or who shall
 69 interfere with the operation of any machinery or other equipment
 70 being employed by or in use by the commissioner, ~~or his~~ duly
 71 authorized agents, in carrying out the provisions of sections *

1 18.281 to 18.311 shall be guilty of a misdemeanor.

018*#321S

2 18.321 GROWING HEMP (CANNABIS SATIVA L.) FOR COMMERCIAL
3 PURPOSES; LICENSES.

4 Growing or maintenance of hemp, Cannabis sativa L., is
5 permitted only for commercial uses, as herein defined.
6 Commercial uses are such adaptations of hemp as are necessary
7 and proper for the manufacture of rope, sacks, and other sisal
8 hemp products and such other non-injurious commercial products,
9 including the manufacture of batts, yarn, thread, cordage,
10 merchandise, cloth, and such other products as may be made from
11 linen fiber, as have been or may be developed; submitted to and
12 approved by the commissioner ~~and approved by him~~. The
13 commissioner ~~is hereby authorized, and it shall be his duty, to~~
14 license and authorize the growing of hemp when the derivatives
15 thereof are to be used solely for the commercial uses herein
16 defined. Any person desiring to grow hemp for commercial
17 purposes, as herein defined, shall file an application for a
18 license therefor with the commissioner, giving a description and
19 the area of land intended to be so used. The commissioner shall
20 issue a license to the applicant for the growing of such hemp
21 for such commercial uses as are specified in the application and
22 license, and the growing of hemp, pursuant to the terms of the
23 license issued by the commissioner shall be lawful to the extent
24 granted by the license.

018*#332S

25 18.332 AUTHORITY OF COMMISSIONER.

26 The commissioner shall cause all such rust-producing
27 Mahonia bushes or barberry bushes to be eradicated; ~~He~~, shall
28 make rules and regulations relating to the most convenient and
29 expedient method of eradicating and destroying such
30 rust-producing Mahonia bushes or barberry bushes; ~~He~~, and shall
31 appoint agents to enforce the provisions of sections 18.331 to
32 18.334. ~~He~~ The commissioner and ~~his~~ agents shall have free
33 access, at all reasonable hours, to any premises to determine
34 whether such rust-producing Mahonia bushes or barberry bushes
35 are growing thereon. ~~He~~ The commissioner shall require reports
36 from the owners or occupants of any premises as to the presence
37 of such bushes thereon.

018*#333S

38 18.333 DESTRUCTION OF BUSHES.

39 In pursuance of ~~his~~ powers granted by sections 18.331 to
40 18.334, when the commissioner, or ~~his~~ the commissioner's agents,
41 shall have found Mahonia bushes or barberry bushes of such
42 rust-producing varieties on any premises, it shall be the duty
43 of the commissioner, ~~or his~~ the agents, as the case may be,
44 immediately notify, or cause to be notified, the owner or
45 occupant of the premises on which such bushes are growing; such
46 notice shall be sent to the owner or occupant in such form as
47 the commissioner shall prescribe, and it shall be the duty of
48 every occupant of land or, if the land is unoccupied, the owner
49 thereof, or ~~his~~ the owner's agent, or the public official in
50 charge thereof, to cut down, otherwise destroy, or eradicate all
51 such Mahonia bushes or barberry bushes as defined in section
52 18.171, subdivision 5, standing, being, or growing upon such
53 land, or in such manner and at such times as may be directed or
54 ordered by the commissioner or ~~his~~ the commissioner's agents.
55 The expense of such destruction shall be paid to the state
56 commissioner by the owner of the premises within ten days after
57 the rendition of a bill therefor, and if such costs shall not be
58 paid within that time, the bill is hereby made a legal charge
59 against the county or municipality in which the lands are
60 located. After such cutting down, otherwise destroying or
61 eradicating of noxious weeds, the officer causing the same to be
62 done shall file verified and itemized statements of the costs of
63 all services rendered in connection with serving of notices and
64 cutting down, otherwise destroying or eradicating the noxious
65 bushes on each separate tract or lot of land, with the county
66 auditor or with the clerk of the municipality in which such
67 lands are located, who shall immediately issue proper warrants
68 to the persons named therein for the amount specified. The
69 amount of such expenses shall constitute and be a lien in favor
70 of the county or municipality, as the case may be, against the
71 land involved and shall be certified to by the county auditor,
72 the municipal clerk, and entered by the county auditor on ~~his~~
73 the tax books as a tax upon such land, and shall be collected in

1 the same manner as other real estate taxes are collected. The
 2 amount of such expenses, when collected shall be used to
 3 reimburse the county or municipality for its expenditure in this
 4 regard. Where the lands involved are located in unorganized
 5 territory, the expense of eradicating or destroying such bushes
 6 shall be paid by the county auditor out of the general revenue
 7 fund of the county, upon the verified itemized statement of the
 8 commissioner or ~~his~~ the commissioner's agent and the amount of
 9 such payment shall be entered ~~by him~~ on the tax books as a tax
 10 on such lands and shall constitute and be a lien in favor of
 11 such county against the lands involved and shall be collected in
 12 the same manner as other real estate taxes are collected.

018*#334S

13 18.334 CERTIFICATE OF COMMISSIONER.

14 The commissioner or ~~his~~ the commissioner's agent may, or
 15 when requested by any resident of the state shall, determine, or
 16 cause to be determined, whether or not the Mahonia bushes or
 17 barberry bushes grown on certain premises are of the
 18 rust-producing varieties. The commissioner shall make a
 19 certificate of ~~his~~ findings and determination on the premises,
 20 which certificate shall be prima facie evidence of the facts
 21 therein recited. Such certificate may be received in evidence
 22 in any civil action arising under the provisions of sections
 23 18.331 to 18.334.

018*#361S

24 18.361 CONTROL OF FOREST PESTS.

25 Subdivision 1. Whenever the commissioner finds that an
 26 area in the state is infested or threatened to be infested with
 27 forest pests, ~~he~~ the commissioner shall determine whether
 28 measures of control are needed and are available and the area
 29 over which the control measures shall be applied. The
 30 commissioner shall prescribe a proposed zone of infestation
 31 covering the area in which control measures are to be applied
 32 and shall publish notice of the proposal once a week, for two
 33 successive weeks in a newspaper having a general circulation in
 34 each county located in whole or in part in the proposed zone of
 35 infestation.

36 No change for subd 2

018*#371S

37 18.371 ZONES OF INFESTATION, ESTABLISHMENT.

38 Upon the decision by the commissioner that the
 39 establishment of a zone is necessary, ~~he~~ the commissioner shall
 40 make a written order establishing said zone, and upon making
 41 said order, said zone shall be established. Notice of the
 42 establishment of the zone shall thereupon be published in a
 43 newspaper having a general circulation in each county located in
 44 whole or in part in the proposed zone.

018*#391S

45 18.391 EXPENSES.

46 Subdivision 1. At the end of each fiscal year and upon
 47 completion of the infestation control measures in any zone of
 48 infestation, the commissioner shall prepare a certified
 49 statement of expenses incurred in carrying out such measures,
 50 including expenses of owners covered by agreements entered into
 51 pursuant to section 18.381. The statement shall show the amount
 52 which the commissioner determines to be its share of the
 53 expenses. The share of the commissioner may include funds and
 54 the value of other contributions made available by the federal
 55 government and other cooperators. The balance of such costs
 56 shall constitute a charge on an acreage basis as provided herein
 57 against the owners of lands in the zone containing trees
 58 valuable or potentially valuable for commercial timber purposes
 59 and affected or likely to be affected by the forest pests for
 60 which control measures were conducted. In fixing the rates at
 61 which charges shall be made against each owner, the commissioner
 62 shall consider the present commercial value of the trees on ~~his~~
 63 the land, the present and potential benefits to such owner from
 64 the application of the control measures, and the cost of
 65 applying such measures to ~~his~~ the land, and such other factors
 66 as in the discretion of the commissioner will enable ~~him to~~
 67 determine determination of an equitable distribution of the cost
 68 to all such owners. No charge shall be made against owners to
 69 the extent that they have individually or as members of a
 70 cooperative association contributed funds, supplies or services
 71 pursuant to agreement under this section.

72 Subd. 2. Notice of said charge and the amount thereof

1 shall be given to the owner by delivery or by depositing the
 2 same in the United States mails in an envelope properly
 3 addressed to ~~him~~ the owner and bearing sufficient postage. The *
 4 owner shall have the right to protest such charge to the
 5 commissioner within 60 days from the date of such notice--~~He,~~ *
 6 and shall also have the same right to review of such charge as *
 7 is provided with respect to ad valorem property assessments.
 8 Application for such review shall be made within 60 days from
 9 the date of action by the commissioner on any protest.

10 No change for subd 3

018*#433S

11 18.433 DISEASED PLANTS, DESTRUCTION.
 12 Any white pines or currants or gooseberries within the
 13 state which are found to be infected with white pine
 14 blister-rust are hereby declared to be a public menace, and any
 15 such diseased plants and any and all wild plants of the genera
 16 Ribes and Grossularia may be destroyed forthwith by the order of
 17 the commissioner or ~~his~~ the commissioner's agents. Any *
 18 currants, gooseberries, or white pines not infected with white
 19 pine blister-rust may be destroyed by the commissioner or ~~his~~ *
 20 the commissioner's agents where necessary for carrying out the *
 21 purposes of sections 18.432 to 18.435.

018*#434S

22 18.434 CONTROL AREAS.
 23 No change for subd 1
 24 Subd. 2. PAYMENT FOR PLANTS NOT INFECTED. If
 25 currants, gooseberries, or white pines which are not infected
 26 with white pine blister-rust are destroyed by the specific order
 27 of the commissioner or ~~his~~ agents, the owner may be compensated *
 28 therefor, the damages to be assessed by the commissioner or ~~his~~ *
 29 the agents at and not to exceed the actual value of the material *
 30 destroyed and paid to the owner by the state treasurer upon
 31 authorization of the commissioner; provided, that any and all
 32 wild currants and gooseberries are hereby declared noxious weeds
 33 and no compensation shall be paid therefor.
 34 Subd. 3. ENTRY UPON PRIVATE AND PUBLIC LANDS. The
 35 commissioner and ~~his~~ the commissioner's agents shall have the *
 36 right to enter upon any private or public lands to determine the
 37 presence or absence of the white pine blister-rust in any of its
 38 stages and to carry out measures for its control.

018*#46S

39 18.46 DEFINITIONS.
 40 No change for subd 1 to 3
 41 Subd. 4. Certified nursery stock: The term certified
 42 nursery stock means nursery stock which has been inspected and
 43 found apparently free of plant pests by the commissioner ~~or his~~ *
 44 employee. *
 45 No change for subd 5
 46 Subd. 6. A nurseryman nursery operator: A nurseryman *
 47 nursery operator is any person who owns, leases, manages, or is *
 48 in charge of a nursery.
 49 No change for subd 7 to 8
 50 Subd. 9. A dealer: A dealer is any person who obtains
 51 nursery stock for the purpose of sale or distribution and
 52 includes any person who sells and distributes for more than one
 53 nurseryman nursery operator. If A person who purchases more *
 54 than half of the nursery stock offered for sale at ~~his~~ a sales *
 55 location during the current certificate year, ~~he~~ shall be *
 56 considered a dealer rather than a nurseryman nursery operator *
 57 for the purposes of determining ~~his~~ a proper fee schedule. *
 58 Subd. 10. An agent: An agent is any person who sells or
 59 offers for sale nursery stock under the partial or full control
 60 of a nurseryman nursery operator or a dealer. *
 61 No change for subd 11 to 13
 62 Subd. 14. Commissioner: Commissioner means the
 63 commissioner of agriculture or an employee of the commissioner. *
 64 No change for subd 15 to 16

018*#48S

65 18.48 AUTHORITY.
 66 Subdivision 1. ENTRY AND INSPECTION. The
 67 commissioner ~~or his employees~~ may enter and inspect any public *
 68 and private place which might harbor plant pests and may require
 69 that the owner destroy or treat plant pests, plants or other
 70 material. Should the owner fail to properly comply with a
 71 directive of the commissioner ~~or his employee~~ within a given *
 72 period of time, the commissioner may have any necessary work

1 done at the owner's expense. If the owner does not reimburse
 2 the commissioner for such expense within a time period to be
 3 specified by the commissioner, the expense is a charge upon the
 4 county as provided in subdivision 4. If a dangerous plant pest
 5 infestation or infection threatens plants of any area within the
 6 state, the commissioner ~~or-his-employees~~ shall have the power to *
 7 take any measures necessary to eliminate or alleviate the
 8 danger. The commissioner has the authority to collect fees as
 9 may be required by the plant pest act. The commissioner may
 10 issue and enforce a written or printed "stop-sale" order to the
 11 owner or custodian of any nursery stock if fees required by the
 12 plant pest act are not paid. The commissioner's order shall
 13 direct that the nursery stock shall be held at a designated
 14 place until the required fees have been paid and the nursery
 15 stock is released in writing by the commissioner. However, the
 16 owner or custodian has the right to appeal from such order to a
 17 court of competent jurisdiction in the county or city where the
 18 nursery stock is found, praying for a judgment as to the
 19 justification of the order, and for the discharge of the nursery
 20 stock from the order prohibiting the sale in accordance with the
 21 findings of the court. The provisions of this section shall not
 22 be construed as limiting the right of the enforcement officer to
 23 proceed as authorized by other provisions of the plant pest
 24 act. The commissioner shall release the nursery stock held
 25 under any stop-sale order when the required fees have been paid
 26 and upon payment of all reasonable costs and expenses incurred
 27 in connection with such order. The commissioner ~~or-his~~ *
 28 ~~employees~~ may not be held liable for the deterioration of *
 29 nursery stock during the period for which it is held pursuant to
 30 a stop-sale order.

31 No change for subd 2 to 3

32 Subd. 4. COLLECTION OF CHARGES FOR WORK DONE FOR OWNER.

33 Should the commissioner be caused any expense in conjunction
 34 with carrying out any of the provisions of subdivision 1 ~~for~~ *
 35 ~~which-he-is~~ and not be reimbursed by the owner of the land, such *
 36 expense is hereby made a legal charge against the county in
 37 which the land is located. After such expense is incurred, the
 38 commissioner shall file verified and itemized statements of the
 39 cost of all service rendered with the county auditor of the
 40 county in which the land is located, who shall immediately issue
 41 proper warrants to the persons named therein, for the amount
 42 specified. The amount of such expense is a lien in favor of the
 43 county against the land involved and shall be certified to by
 44 the county auditor and entered ~~by-him~~ on his the auditor's tax *
 45 books as a tax upon such lands and shall be collected as other
 46 real estate taxes are collected. The amount of such expenses,
 47 when collected, shall be used to reimburse the county in this
 48 regard.

018*#49S

49 18.49 INSPECTION REQUIRED.

50 No change for subd 1

51 Subd. 2. It is unlawful for a person to sell or distribute
 52 nursery stock to a dealer or nurseryman nursery operator who *
 53 does not have a valid certificate of inspection or dealer's
 54 certificate.

018*#51S

55 18.51 CERTIFICATE OF INSPECTION.

56 Subdivision 1. CERTIFICATE REQUIRED. Each person *
 57 ~~who-operates-as-a-nurseryman~~ nursery operator shall obtain a *
 58 certificate of inspection from the commissioner. Said *
 59 certificate shall be obtained before ~~he-offers~~ offering nursery *
 60 stock for sale or distribution. Each certificate shall expire
 61 on November 15 of each year.

62 Subd. 2. FEES; PENALTY. A nurseryman nursery *
 63 operator shall pay an annual fee before the commissioner shall *
 64 issue a certificate of inspection. This fee shall be based on
 65 the area of all of ~~his~~ the operator's nurseries as follows: *

66 Nurseries:

- | | | |
|-----------------------------|-------------------------------------|---|
| 67 (1) 1/2 acre or less | \$30 per <u>nurseryman nursery</u> | * |
| 68 | <u>operator</u> | * |
| 69 (2) Over 1/2 acre to and | | |
| 70 including 2 acres | \$50 per <u>nurseryman nursery</u> | * |
| 71 | <u>operator</u> | * |
| 72 (3) Over 2 acres to and | | |
| 73 including 10 acres | \$100 per <u>nurseryman nursery</u> | * |
| 74 | <u>operator</u> | * |

- 1 (4) Over 10 acres to and
- 2 including 50 acres \$300 per nurseryman nursery
- 3 operator *
- 4 (5) Over 50 acres \$600 per nurseryman nursery *
- 5 operator *
- 6

7 In addition to the above fees, a minimum penalty of \$10 or
 8 25 percent of the fee due, whichever is greater, shall be
 9 charged for any application for renewal not received by January
 10 1 of the year following expiration of a certificate.

018*#52S

11 18.52 DEALERS' AND AGENTS' CERTIFICATES.
 12 Subdivision 1. CERTIFICATES REQUIRED. A dealer's
 13 certificate shall be obtained by every dealer for each location
 14 before offering nursery stock for sale or distribution unless he
 15 the dealer holds a valid greenhouse or nurseryman's nursery
 16 operator's certificate either of which will permit a single
 17 sales location. This certificate or a duplicate thereof shall
 18 be displayed in a prominent manner at each place where nursery
 19 stock is offered for sale. A certificate to sell or distribute
 20 certified nursery stock may be obtained by a dealer or by an
 21 agent through ~~his~~ a principal, from the commissioner. The
 22 commissioner ~~or his employee~~ may refuse to issue a dealer's or
 23 agent's certificate for cause. *

24 No change for subd 2

25 Subd. 3. LIST OF SOURCES. Each person applying for
 26 a certificate shall list the sources of nursery stock ~~he~~ the
 27 person proposes to sell and distribute and shall furnish the
 28 commissioner such other reports as may be required. *

29 No change for subd 4 to 5

018*#53S

30 18.53 GREENHOUSE CERTIFICATION.
 31 The commissioner ~~or his employee~~ may inspect and certify
 32 greenhouses and greenhouse plants as being free from plant pests
 33 upon request of the greenhouse operator and issue a greenhouse
 34 certificate. The fee is \$30 for each greenhouse operator. The
 35 certificate expires on November 15 next following the date of
 36 issue. *

018*#54S

37 18.54 LOCAL SALES AND MISCELLANEOUS.
 38 Subdivision 1. The commissioner ~~or his employee~~ may make
 39 small lot inspections or perform other necessary services for
 40 which another charge is not specified. For these services the
 41 commissioner shall set a fee plus expenses that will recover the
 42 cost of performing this service, as provided in section
 43 16A.128. The commissioner may set an additional acreage fee for
 44 inspection of seed production fields for exporters in order to
 45 meet domestic and foreign plant quarantine requirements. *

46 Subd. 2. The commissioner shall have the authority to
 47 provide special services such as virus disease-free
 48 certification and other similar programs. Participation by
 49 nurserymen nursery operators shall be voluntary. Plants offered
 50 for sale as certified virus-free must be grown according to
 51 certain procedures in a manner defined by the commissioner for
 52 the purpose of eliminating viruses and other injurious disease
 53 or insect pests. The commissioner shall collect reasonable fees
 54 from participating nurserymen nursery operators for services and
 55 materials that are necessary to conduct this type of work, as
 56 provided in section 16A.128. *

018*#55S

57 18.55 RECIPROCITY WITH OTHER STATES.
 58 Subdivision 1. OUT-OF-STATE NURSERYMAN NURSERY
 59 OPERATOR, DEALER, OR AGENT. A nurseryman nursery operator,
 60 dealer, or agent from another state which issues certificates to
 61 nurserymen nursery operators, dealers, or agents of Minnesota on
 62 the same or similar basis as to nurserymen nursery operators,
 63 dealers, or agents of such state may operate in Minnesota upon
 64 complying with the plant pest act without procuring a Minnesota
 65 certificate. Any person from another state shipping nursery
 66 stock into Minnesota shall be accorded treatment similar to that
 67 which is required of Minnesota nurserymen nursery operators,
 68 dealers, or agents who ship or sell nursery stock in such
 69 state. No reciprocity shall be extended under this section
 70 until the commissioner has first determined which states issue
 71 certificates to nurserymen nursery operators, dealers, or agents
 72 of Minnesota on the same or similar basis as to nurserymen *

1 nursery operators, dealers, or agents of such states. *

2 Subd. 2. FILING OUT-OF-STATE CERTIFICATES OF

3 INSPECTION. Each out-of-state nurseryman nursery operator or *

4 dealer whose nursery stock is sold, offered for sale, or

5 distributed within this state shall file a certified current

6 copy of his an out-of-state certificate in the office of the *

7 commissioner. The commissioner may accept, in lieu of such

8 individual certificates, a certified list of current

9 certified nurserymen nursery operators or dealers from the *

10 regulatory agency having jurisdiction in the state of origin,

11 and may distribute such lists to persons in the state of

12 Minnesota requesting them. The commissioner also may supply

13 certified lists of certified Minnesota nurserymen nursery *

14 operators and dealers offering nursery stock for sale in *

15 Minnesota and other states on request of any person. If any

16 certified nurseryman nursery operator or dealer has violated any *

17 provisions of the plant pest act, his the filed certificate will *

18 be voided or his the nursery operator's name will be stricken *

19 from the appropriate certified list.

018*#59S

20 18.59 VIOLATIONS.

21 It shall be a violation of the plant pest act for any

22 person:

23 (1) to hinder or prevent the commissioner ~~or-his-employee~~ *

24 from carrying out the duties of the act.

25 (2) to sell, transport, or offer for sale nursery stock

26 which has not been inspected and certified, by a duly authorized

27 nursery inspector, to be apparently free of plant pests.

28 (3) to fail to carry out the treatment or destruction of

29 condemned plants or other material after official notification

30 by the commissioner ~~or-his-employee~~. *

31 (4) to use an invalid certificate of inspection or shipping

32 tag in the sale or distribution of nursery stock covered by this

33 act.

34 (5) to misrepresent or mislabel nursery stock as to vigor,

35 hardiness and viability.

36 (6) to violate any quarantine promulgated by the

37 commissioner in accordance with the act.

38 (7) to fail to comply with any provision of the plant pest

39 act, or any rules and regulations promulgated thereunder.

40 (8) to have possess nursery stock ~~in-his-possession~~ or have *

41 it on his the premises for the purposes of sale or disposition *

42 ~~unless-he-has without~~ a valid certificate of inspection, *

43 dealer's certificate or greenhouse certificate.

018*#60S

44 18.60 PENALTIES.

45 Subdivision 1. CERTIFICATE MAY BE REVOKED. The *

46 certificate of any person violating any of the provisions of the *

47 plant pest act may ~~have-his-certificate~~ be suspended or revoked *

48 by the commissioner ~~or-his-employee~~ upon 5 days notice and *

49 opportunity to be heard.

50 No change for subd 2

018*#61S

51 18.61 ENFORCEMENT.

52 It shall be the duty of every prosecuting officer to whom

53 the commissioner ~~or-his-employee~~ shall report any violation of *

54 the plant pest act or any of the rules and regulations

55 promulgated thereunder to cause appropriate proceedings to be

56 commenced and prosecuted in the proper courts without delay for

57 the enforcement of the penalties as provided in such case.

018*#65S

58 18.65 ADMINISTRATOR; COMMISSIONER OF AGRICULTURE.

59 The compact administrator for this state shall be the

60 commissioner of agriculture appointed by the governor. The

61 duties of the compact administrator shall be deemed a regular

62 part of the duties of his the commissioner's office. *

018*#66S

63 18.66 REQUEST FOR ASSISTANCE.

64 Within the meaning of article VI (b) or VIII (a), a request

65 or application for assistance from the Insurance Fund may be

66 made by the governor or the commissioner of agriculture whenever

67 in his the official's judgment the conditions qualifying this *

68 state for such assistance exist and it would be in the best

69 interest of this state to make such request.

018*#68S

70 18.68 FILING OF DOCUMENTS; NOTICES.

1 Filing of documents as required by the compact set forth in
 2 sections 18.62 to 18.71 shall be with the department of
 3 agriculture. Any and all notices required by commission bylaws
 4 to be given pursuant to article VI, clause (d) of the compact
 5 shall be given to the commissioner of agriculture of this state
 6 or ~~his~~ the commissioner's alternate, if any. *

018*#70S

7 18.70 LEGISLATIVE AUDITOR.

8 Pursuant to article IX, clause (f) of the compact, the
 9 legislative auditor is hereby empowered and authorized to
 10 inspect the accounts of the insurance fund as a part of ~~his~~ the
 11 auditor's audit of the department of agriculture. *

018A#21S

12 18A.21 DEFINITIONS.

13 No change for subd 1 to 8

14 Subd. 9. "Commissioner" means the commissioner of
 15 agriculture or ~~his~~ the commissioner's agent. *

16 No change for subd 10 to 11

17 Subd. 12. "Environment" includes water, air, land, plants,
 18 ~~man~~ humans, and animals and their inter-relationships. *

19 No change for subd 13 to 19

20 Subd. 20. "Licensed pesticide dealer" means any pesticide
 21 dealer licensed by the commissioner who sells to the ultimate
 22 consumer or any person licensed by the commissioner purchasing
 23 from an unlicensed source for ~~his~~ the licensed person's own use
 24 any restricted use pesticide. *

25 No change for subd 21 to 23

26 Subd. 24. "Pest" means any insect, rodent, nematode,
 27 fungus, weed, terrestrial or aquatic plant, animal life, virus,
 28 bacteria, or other organism which the commissioner by rule
 29 declares to be a pest except virus, bacteria, or other
 30 micro-organism on or in living ~~man~~ humans or other living
 31 animals. *

32 No change for subd 25 to 26

33 Subd. 27. "Private applicator" means a person who uses or
 34 supervises the use of any restricted use pesticide for the
 35 purpose of producing any agricultural commodity on land owned or
 36 rented by ~~him~~ the person or ~~his~~ the person's employer or, if
 37 applied without compensation other than trading of personal
 38 services between producers of agricultural commodities, on the
 39 land of another person. *

40 No change for subd 28 to 37

018A#23S

41 18A.23 SPECIAL LOCAL NEEDS.

42 If the state is certified by the administrator to register
 43 pesticides to meet special local needs, the applicant shall
 44 supply the information required by section 18A.22 and the
 45 commissioner shall, subject to the terms and conditions of
 46 certification, register such pesticide if ~~he~~ the commissioner
 47 determines that: *

48 (a) Its composition is such as to warrant the proposed
 49 claims for it;

50 (b) Its label and other material required to be submitted
 51 comply with the requirements of sections 18A.21 to 18A.25;

52 (c) It will perform its intended function without
 53 unreasonable adverse effect on the environment;

54 (d) When used in accordance with widespread and commonly
 55 recognized practice it will not generally cause unreasonable
 56 adverse effects on the environment;

57 (e) The proposed classification for general use or
 58 restricted use, or both, is in conformity with FIFRA; and

59 (f) A special local need exists.

60 The commissioner may require a full description of tests
 61 and test results upon which claims are based for any pesticide
 62 not registered pursuant to section 18A.35 of FIFRA, or for any
 63 pesticide on which restrictions are being considered.

64 The commissioner may require other relevant information.

65 The applicant may request confidentiality of information
 66 submitted pursuant to section 18A.35.

018A#24S

67 18A.24 EXPERIMENTAL USE PERMITS.

68 If the state is authorized by the administrator to issue
 69 experimental use permits, the commissioner may:

70 (a) Issue an experimental use permit if ~~he~~ the commissioner
 71 determines that the applicant needs the permit in order to
 72 accumulate information necessary to register a pesticide under *

1 section 18A.22. An application for an experimental use permit
 2 may be filed at any time;
 3 (b) Refuse to issue an experimental use permit if ~~he~~ the *
 4 commissioner determines that issuance of such permit is not *
 5 warranted or that the use to be made of the pesticide under the
 6 proposed terms and conditions may cause unreasonable adverse
 7 effects on the environment;
 8 (c) Prescribe terms, conditions, and period of time for the
 9 experimental use permit; and
 10 (d) Revoke or modify an experimental use permit at any time
 11 if ~~he~~ the commissioner finds that its terms or conditions are *
 12 being violated, or that its terms and conditions are inadequate
 13 to avoid unreasonable adverse effects on the environment.

018A#26S

14 18A.26 LICENSE, REGISTRATION, DEALER, APPLICATOR, FEE.
 15 Subdivision 1. RESTRICTED USE PESTICIDE DEALER LICENSE.
 16 (a) Any person offering for sale or ~~having-in-his-possession~~ *
 17 possessing with intent to distribute to the ultimate user a *
 18 restricted use pesticide and any private applicator purchasing *
 19 from an unlicensed source for ~~his~~ the private applicator's own *
 20 use any restricted use pesticide shall obtain a license from the
 21 commissioner. Application for a restricted use pesticide dealer
 22 license shall be made upon the forms and in the manner, which
 23 may include an examination, as the commissioner requires to
 24 determine if the applicant is qualified to sell restricted use
 25 pesticides.
 26 (b) Application for a license requires payment of a fee of
 27 \$50. Licenses shall be renewed annually prior to January 1,
 28 upon receipt of a \$50 fee and the completed application form.
 29 (c) If an application for renewal of a restricted use
 30 pesticide dealer license is not filed prior to January 1 of any
 31 one year, an additional fee of \$13 shall be paid by the
 32 applicant before the renewal license may be issued.
 33 (d) The dealer license shall not be transferable to another
 34 person or to another location.
 35 (e) Each licensed restricted use pesticide dealer shall be
 36 responsible for the acts of each person employed by ~~him~~ the *
 37 dealer in the solicitation and sale of restricted use pesticides. *
 38 (f) Provisions of this subdivision shall not apply to:
 39 (1) A licensed commercial applicator, noncommercial *
 40 applicator or structural pest control applicator who sells or *
 41 uses pesticides only as an integral part of ~~his~~ the applicator's *
 42 pesticide application service;
 43 (2) A federal, state, county, or municipal agency which
 44 provides pesticides only for its own programs; and
 45 (3) A duly licensed pharmacist, physician, dentist, or
 46 veterinarian when administering or dispensing a restricted use
 47 pesticide for use in ~~man~~ a human or other animal in ~~his~~ the *
 48 licensee's practice. *
 49 Subd. 2. COMMERCIAL APPLICATOR LICENSE. (a) No
 50 commercial applicator shall use or supervise the use of any
 51 pesticide without a commercial applicator's license issued by
 52 the commissioner. Application for the license shall be made
 53 upon forms and in such manner, which may include an examination,
 54 as the commissioner may require. An aerial applicator shall
 55 secure ~~an a license~~ endorsement to-his-license showing that ~~he~~ *
 56 the applicator has been licensed for commercial spraying or *
 57 dusting operations, or both, in accordance with chapter 360, and *
 58 that ~~he~~ the applicator has passed an examination prepared by the *
 59 department of transportation and administered by the department
 60 of agriculture, testing whether ~~he~~ the applicator is *
 61 knowledgeable in the aerial application of pesticides. A person
 62 intending to apply pesticides in any public waters shall
 63 secure ~~an a license~~ endorsement to-his-license showing that ~~he~~ *
 64 the applicator has passed an examination prepared by the *
 65 department of natural resources and administered by the
 66 department of agriculture, testing whether ~~he~~ the applicator is *
 67 knowledgeable in the application of pesticides in water. *
 68 (b) The commissioner may renew any applicator's license,
 69 subject to reexamination or other requirements imposed by the
 70 commissioner to ensure that the applicator understands changing
 71 technology and to assure a continuing level of competence and
 72 ability to use pesticides safely and properly.
 73 (c) Each application for a license shall require payment of
 74 an annual fee of \$40 and an identification card fee of \$10 for
 75 the applicant and \$10 for each additional identification card

1 desired.

2 (d) If the renewal application is not filed prior to March
3 1 in any year, an additional fee of \$10 shall be paid by the
4 applicant before the renewal license may be issued.

5 (e) The license issued shall not be transferable to another
6 person.

7 (f) Every licensee or ~~his~~ a licensee's designated operator *
8 shall have an identification card when applying pesticides for
9 hire and shall display it upon demand of an authorized
10 representative of the commissioner or a law enforcement
11 officer. The identification card shall contain such information
12 as the commissioner may by rule require.

13 (g) A person required to be licensed under this subdivision
14 who carries on spraying or dusting operations for hire or who
15 employs or engages an applicator to carry on spraying or dusting
16 operations for hire, shall be responsible for proper application
17 of the material or device--~~He,~~ shall use materials, dosages, *
18 formulas, devices and methods of application acceptable to the
19 commissioner based upon registered approved uses of the material
20 or device within limits prescribed by state and federal laws and
21 regulations--~~He,~~ and shall not be held liable for the actions *
22 of a chemical when applied in accordance with the recommendation
23 of the manufacturer or the commissioner.

24 Subd. 3. STRUCTURAL PEST CONTROL APPLICATOR LICENSE,
25 REGISTRATION. (a) No person shall engage in structural pest
26 control applications for hire unless registered or licensed by
27 the commissioner. Before any person shall engage in structural
28 pest control application ~~he~~ the person shall apply on forms *
29 supplied by the commissioner for a registration or license to
30 engage in such activities. The commissioner shall determine
31 from the application and the statements contained therein if
32 such applicant is qualified to be registered or to receive a
33 license. The commissioner shall require the applicant to pass a
34 written or an oral examination, or both, and may also require a
35 practical demonstration regarding structural pest control. The
36 examination procedure, including all the phases and contents of
37 the examination, shall be established by the commissioner.

38 (b) A registration or license is effective until January 1
39 next following the date of its issuance, and may be renewed
40 annually on or before that date. Registrations or licenses are
41 not transferable to any other person.

42 (c) No annual fee need accompany an application for
43 registration or renewal where the applicant is licensed by a
44 political subdivision or municipality to engage in structural
45 pest control. An annual fee of \$100 must accompany an
46 application for registration or renewal if the applicant is not
47 so licensed. Employees of a person who is registered or
48 licensed under this subdivision shall pay a fee of \$20 for an
49 initial license or registration and a fee of \$20 for each
50 renewal thereof. The commissioner may establish other
51 requirements for renewal as are necessary to assure competence
52 of registrants or licensees.

53 (d) In case a delinquency in the payment of the license or
54 registration renewal fee extends beyond three months the
55 licensee or registrant will be required to obtain a new license
56 or registration subject to all the requirements, procedures and
57 fees required for an initial license or registration.

58 (e) The commissioner shall establish categories of master,
59 journeyman, and apprentice in structural pest control
60 applications. No person shall engage in structural pest control
61 applications as a sole proprietorship, company, partnership, or
62 corporation unless ~~he~~ the person is licensed or registered as a *
63 master in structural pest control applications or unless ~~he~~ the *
64 person employs a person so licensed or registered. *

65 (f) The commissioner shall notify each licensee or
66 registrant by mail that ~~his~~ the person's fee is due and payable *
67 and if not received before the expiration date of the
68 registration or license 50 percent will be added to the required
69 annual renewal fee or fees.

70 No change for subd 4

018A#27S

71 18A.27 CLASSIFICATION OF LICENSES; STANDARDS.
72 The commissioner may classify or subclassify certifications
73 or licenses as necessary for the administration and enforcement
74 of sections 18A.21 to 18A.45. Such classifications may include,
75 but not be limited to, pest control operators, ornamental,

1 agricultural, or right-of-way pesticide applicators. Separate
 2 subclassifications may be specified as to ground, aerial, or
 3 manual methods to apply pesticides or to the use of pesticides
 4 to control insects, plant diseases, rodents, or weeds. Each
 5 classification shall be subject to separate testing procedures
 6 and requirements. No person shall be required to pay a fee for
 7 any classification or subclassification certificate or license
 8 if ~~he~~ the person has paid the fee for the license under which
 9 the particular classification or subclassification is placed. *

018A#28S

10 18A.28 RECORDS, REPORTS.

11 Subdivision 1. LICENSED RESTRICTED USE PESTICIDE
 12 DEALER. In addition to other requirements, all persons
 13 licensed to sell restricted use pesticides shall maintain
 14 records as required by the commissioner. Records shall be
 15 submitted periodically and at least once annually but in no case
 16 later than 30 days following the end of the license year.
 17 Records shall be upon forms supplied by the commissioner. All
 18 records required under this section shall be kept and made
 19 available for inspection upon request by the commissioner, ~~his~~
 20 the commissioner's agents, or officials of an approved agency
 21 for a period of two years from the date of sale. *

22 Subd. 2. LICENSED COMMERCIAL APPLICATOR. Each
 23 licensed commercial applicator, or ~~his~~ the applicator's
 24 authorized agent, shall keep and maintain a record of land
 25 treated. Such a record shall include, but not be limited to,
 26 the following: date of treatment; material and dosage used;
 27 number of units treated; name and address of customer; name of
 28 applicator; and signature of operator. Invoices containing the
 29 required information may constitute the required record. A copy
 30 of ~~his~~ the record shall be given to a consumer. Records shall
 31 be kept and be available upon request of the commissioner or ~~his~~
 32 the commissioner's agents or officials of an approved agency for
 33 a period of two years from the date of treatment. *

34 Subd. 3. LICENSED OR REGISTERED STRUCTURAL PEST CONTROL
 35 APPLICATOR. Each registered or licensed person engaged in
 36 structural pest control applications shall maintain records of
 37 all structural pest control applications conducted by ~~him~~ that
 38 person or by ~~his~~ that person's employees. The records shall
 39 include but not be limited to: the date of treatment; name of
 40 chemical used; temperature and exposure time if fumigating;
 41 method of application; name and address of customer; and any
 42 other information as may be required by the commissioner.
 43 Records shall be retained for two years.

44 No change for subd 4 to 6

018A#29S

45 18A.29 PRIVATE APPLICATORS.

46 No change for subd 1

47 Subd. 2. A private applicator shall be deemed competent to
 48 use restricted use pesticides ~~when he~~ if the applicator attests
 49 ~~that he~~ as follows: has I have read and understands
 50 understand the label; will use the pesticide according to the
 51 label directions; and ~~is~~ am competent to use the pesticide
 52 properly. *

53 No change for subd 3

018A#30S

54 18A.30 CLAIM OF DAMAGE; INSPECTION REPORT.

55 Subdivision 1. A person claiming damage from the
 56 application of a pesticide may file with the commissioner a
 57 written statement containing ~~his~~ the person's name and address, *
 58 the name of the person for whom the application was done, the
 59 name of the applicator, the date of the application, the date of
 60 the damage, a description of the damage, a request that the
 61 commissioner inspect the damage, and such other information as
 62 the commissioner may require.

63 No change for subd 2

64 Subd. 3. The commissioner shall make a report of ~~his~~
 65 findings and take such further action as ~~he~~ the commissioner
 66 deems necessary. A copy of the report shall be available to any
 67 claimant or applicator, or their agents, upon written request. *

018A#32S

68 18A.32 INSPECTION, ENFORCEMENT, JUDICIAL ACTION.

69 Subdivision 1. INSPECTION. (a) The commissioner,
 70 and ~~his~~ the commissioner's agents, shall have access at
 71 reasonable times to all places where a person manufactures,
 72 formulates, distributes, uses, disposes of, stores or transports *

1 any pesticide or device and to all places affected by the use of
2 any pesticide or device. The purposes for which entry to such
3 places may be made shall include, but are not limited to:

- 4 (1) Inspect any equipment for the manufacture, formulation,
- 5 distribution, disposal or application of pesticides and the
- 6 premises on which such equipment is stored;
- 7 (2) Inspect or sample lands actually or reported to be
- 8 exposed to pesticides;
- 9 (3) Inspect storage or disposal areas;
- 10 (4) Inspect or investigate complaints of injury to humans,
- 11 wildlife, domesticated animals, or land;
- 12 (5) Sample pesticides being applied or to be applied; or
- 13 (6) Observe the use and application of a pesticide.

14 (b) Prior to leaving the premises inspected the
15 commissioner shall give the owner, operator, or agent in charge,
16 a receipt describing any samples obtained. If an analysis is
17 made of the samples, a copy of the results of such analysis
18 shall be furnished to the owner, operator, or agent in charge.

19 Subd. 2. ENFORCEMENT. (a) When the commissioner has
20 reasonable cause to believe a pesticide or device is being
21 distributed, stored, transported or used in violation of
22 sections 18A.21 to 18A.45, or of any rules thereunder, ~~he~~ the *
23 commissioner may issue and serve a written stop-sale, use, or *
24 removal order upon the owner or custodian of any such pesticide
25 or device. If the owner or custodian is not available for
26 service of the order, the commissioner may attach the order to
27 the pesticide or device and notify the owner or custodian and
28 the registrant. The pesticide or device shall not be sold,
29 used, or removed until the violation has been corrected and the
30 pesticide or device has been released in writing under
31 conditions specified by the commissioner, or until the violation
32 has been otherwise disposed of by a court.

33 (b) If the commissioner is denied access to any land, ~~he~~ *
34 the commissioner may apply to a court of competent jurisdiction *
35 for a search warrant authorizing access to the land. The court
36 may, upon such application, issue the search warrant for the
37 purpose requested upon a showing that probable cause exists that
38 a violation of sections 18A.21 to 18A.45 is occurring or has
39 occurred upon such land.

40 Subd. 3. JUDICIAL ACTION. (a) The commissioner is
41 charged with the duty of enforcing sections 18A.21 to 18A.45 and
42 any rules thereunder. In the event a county attorney refuses to
43 act on behalf of the commissioner the attorney general may so
44 act.

45 (b) The commissioner may bring an action to enjoin a
46 violation or threatened violation of sections 18A.21 to 18A.45
47 or any rule thereunder in a court of competent jurisdiction of
48 the county in which such violation occurs or is about to occur.

49 (c) If the commissioner ~~when he~~ believes that the public *
50 interest will be served best by so doing, the commissioner may *
51 seek to remedy minor violations by a suitable notice of warning
52 in writing.

53 (d) The commissioner, after notice and hearing, may revoke,
54 suspend or refuse to renew a registration, license, or
55 certificate when a person is in violation of sections 18A.21 to
56 18A.45 or rules thereunder.

018A#35S

57 18A.35 PROTECTION OF TRADE SECRETS.

58 Subdivision 1. In submitting data required by sections
59 18A.21 to 18A.45, the applicant may:

60 (a) Clearly mark any portions thereof which in ~~his~~ the *
61 applicant's opinion are trade secrets, commercial, or financial *
62 information; and

63 (b) Submit such marked material separately from other
64 material.

65 Subd. 2. The commissioner shall not make any information *
66 public which in ~~his~~ the commissioner's judgment contains or *
67 relates to trade secrets or to commercial or financial
68 information and obtained from a person who marked it privileged
69 or confidential. When necessary, information relating to
70 formulas of products may be revealed to any state or federal
71 agency consulted and may be revealed at a public hearing or in
72 findings of facts issued by the commissioner.

73 Subd. 3. If the commissioner proposes to release
74 information which the applicant or registrant believes to be
75 protected from disclosure under subdivision 2 ~~he~~, the *

1 commissioner shall notify the applicant or registrant by *
2 certified mail. The commissioner shall not make the information
3 available for inspection until 30 days after receipt of the
4 notice by the applicant or registrant. During this period the
5 applicant or registrant may institute an action in an
6 appropriate court for a declaratory judgment as to whether such
7 information is subject to protection under subdivision 2.

018A#36S

8 18A.36 FINANCIAL RESPONSIBILITY.
9 No change for subd 1
10 Subd. 2. An employee of a registered or licensed person
11 need not maintain an insurance policy or bond during the time
12 when ~~his~~ the employer is maintaining the required insurance or *
13 bond. *
14 No change for subd 3

018A#39S

15 18A.39 DELEGATION OF DUTIES.
16 The functions vested in the commissioner by sections 18A.21
17 to 18A.45 may be delegated ~~by him~~ to such employees or agents of *
18 the department as ~~he~~ the commissioner may from time to time *
19 designate.

018A#42S

20 18A.42 UNSATISFIED JUDGMENTS.
21 No applicant for commercial or structural pest control
22 applicator license nor any commercial or structural pest control
23 applicator licensee shall permit any final judgment against ~~him~~ *
24 the applicant or licensee for damages arising out of ~~his~~ *
25 carrying on pesticide application operations for hire to remain
26 unsatisfied for a period of more than 30 days. The commissioner
27 shall suspend the registration or license of any person for
28 failure to satisfy within 30 days a final judgment resulting
29 from pest control activities.

018A#43S

30 18A.43 ADOPTION OF RULES.
31 Subdivision 1. The commissioner is authorized to adopt
32 rules necessary for the enforcement of sections 18A.21 to 18A.45
33 including, but not limited to, the following:
34 (a) The declaration of any form of plant or animal life
35 which is injurious to health or the environment as a pest, other
36 than ~~man~~ humans and other than bacteria viruses and other *
37 micro-organisms on or in living ~~man~~ humans or other living *
38 animals.
39 (b) The collection, examination and reporting of samples of
40 pesticides.
41 (c) The safe handling, transportation, storage, display,
42 distribution, and disposal of pesticides and their containers.
43 (d) The labeling requirements of all pesticides required to
44 be registered under sections 18A.23 and 18A.24.
45 (e) The prescription of methods to be used in the
46 application of pesticides, including the designation of a
47 pesticide as a restricted use pesticide where the commissioner
48 finds that it is necessary to protect the environment and to
49 carry out the purpose and intent of sections 18A.21 to 18A.45.
50 (f) The requirement that any pesticides registered be
51 colored or discolored if it is determined that such requirement
52 is feasible and is necessary for the protection of the
53 environment.
54 (g) The establishment of standards for packages and
55 wrappings of pesticides registered for special local needs.
56 (h) The determination of state restricted use pesticides
57 for the state or for designated areas within the state for the
58 purpose of uniformity and in order to enter into cooperative
59 agreements.
60 (i) The amount of performance bond or liability insurance
61 required pursuant to section 18A.36.
62 No change for subd 2 to 3

019*#50S

63 19.50 DEFINITIONS.
64 No change for subd 1 to 9
65 Subd. 10. COMMISSIONER. "Commissioner" means the
66 commissioner of agriculture or ~~his~~ the commissioner's authorized *
67 agents. *
68 No change for subd 11 to 18

019*#52S

69 19.52 INSPECTIONS; ACCESS TO PROPERTY; IMPEDING
70 COMMISSIONER.

1 Subdivision 1. ACCESS FOR INSPECTION AND ENFORCEMENT.

2 The commissioner may enter upon any public or private
3 premises at all reasonable times to inspect any apiary or other
4 structure which contains bees, honey, bee equipment, or comb; to
5 ascertain the existence of or treat any contagious or infectious
6 bee disease; or to destroy diseased bees or bee equipment which
7 are a public nuisance. The commissioner may open any hive,
8 colony, package, or receptacle which contains, or which ~~he~~ the
9 commissioner has reason to believe contains, any bees, comb, bee
10 products, used bee equipment, or anything else which is capable
11 of transmitting infectious bee diseases or exotic parasites.
12 The commissioner may stop pedestrians and motor vehicles when
13 they are carrying any bees, comb, used bee equipment, or
14 anything else which is capable of transmitting infectious
15 diseases or parasites of bees. The commissioner may inspect at
16 any time or place any bees, bee products, or used bee equipment
17 shipped in or into the state.

18 No change for subd 2

019*#53S

19 19.53 SANITARY INSPECTION OF APIARY OR STORAGE PLACE.

20 The commissioner may inspect the sanitary conditions of any
21 apiary or honey house or building or portion of building or
22 container in which honey is stored, graded, or processed. If
23 the commissioner finds any unsanitary conditions, ~~he~~ the
24 commissioner shall notify the owner or operator in writing to
25 put the honey house, building, or portion of building or
26 container in a sanitary condition within a reasonable length of
27 time. Any operator or owner of a honey house, building, or
28 container who fails to obey the notice is guilty of a
29 misdemeanor.

019*#55S

30 19.55 INSPECTION; NOTIFICATION OF DISEASES.

31 If, upon inspection of a bee colony, the commissioner finds
32 any bee disease or exotic parasite, the commissioner shall
33 notify the owner or operator of the bees in writing, stating the
34 nature of the disease or parasite. If the commissioner orders
35 it, the disease or exotic parasite must be eliminated, treated,
36 or controlled by the owner or operator within the time period
37 and in the manner ordered by the commissioner. The written
38 notice may be served by handing a copy to the owner or operator
39 of the apiary, by leaving a copy with an adult person residing
40 upon the premises, or by either registered or certified mail
41 addressed to the last known address of the owner or operator of
42 the apiary ~~at-his-last-known-address~~.

019*#56S

43 19.56 PUBLIC NUISANCES; DESTRUCTION OF BEES.

44 Apiaries whose owners or operators have not eliminated,
45 treated, or controlled bee diseases or exotic parasites within
46 the time specified and in the manner ordered by the
47 commissioner, as provided in section 19.55; apiaries having bees
48 in hives without movable frames where inspection for bee
49 diseases is not possible; and colonies of bees, queen nuclei, or
50 shipments of used bee equipment which entered this state in
51 violation of section 19.58 are a public nuisance. The
52 commissioner, after written notice to the owner or operator of
53 the bees and equipment, may destroy, by burning or otherwise,
54 without any remuneration to the owner, any box hives or infected
55 or infested bees, hives, or used bee equipment which are a
56 public nuisance under this section. The notice may be served by
57 handing a copy to the owner or operator, by leaving a copy with
58 an adult person residing upon the premises, or by registered or
59 certified mail addressed to the last known address of the owner
60 or operator of the apiary ~~at-his-last-known-address~~.

021*#111S

61 21.111 DEFINITIONS.

62 No change for subd 1

63 Subd. 2. "Inspected" means that the potato plants are
64 examined in the field and that the harvested potatoes produced
65 by such plants are examined by or under the authority of the
66 commissioner, or under his authority.

67 Subd. 3. "Certified" means that the potatoes were
68 inspected while growing in the field and again after being
69 harvested, and were thereafter duly certified by or under the
70 authority of the commissioner, or under his authority, as
71 provided in sections 21.111 to 21.122, and as provided by rules
72 or regulations adopted and published by the commissioner.

1 Subd. 4. Repealed, 1955 c 287 s 1
2 No change for subd 5 to 6
021*#112S
3 21.112 COMMISSIONER, DUTIES; SEED POTATOES.
4 Subdivision 1. DUTIES, EMPLOYEES. The commissioner
5 ~~is hereby authorized and it is made his duty to~~ shall provide *
6 the means and direct the work for the inspection, certification,
7 promotion of quality, and creation of demand and sale of seed
8 potatoes. The commissioner may enter into contracts and ground
9 leases for planting and growing potatoes outside of the state
10 for experimental and research purposes. ~~He~~ The commissioner *
11 shall provide such forms as are necessary and keep a record of
12 the work performed, and shall appoint, designate, or employ such
13 officers, inspectors, and employees as may be deemed necessary
14 and fix their compensation.
15 No change for subd 2
021*#117S
16 21.117 APPLICATIONS FOR INSPECTIONS; WITHDRAWALS.
17 Any person may make application to the commissioner for
18 inspection or certification of ~~his~~ seed potatoes growing or to *
19 be grown. Upon receiving such application and the required fee
20 and such other information as may be required, the commissioner
21 shall cause such potatoes to be inspected or certified in
22 accordance with the provisions of sections 21.111 to 21.122 and
23 the rules and regulations adopted and published thereunder.
24 If a grower wishes to withdraw ~~his~~ a field after having *
25 made application for inspection and such withdrawal is requested
26 before the field inspection has been made, the fee ~~which he has~~ *
27 paid shall be refunded to said grower.
021*#73S
28 21.73 PROHIBITED ACTS.
29 No change for subd 1
30 Subd. 2. It is unlawful for any person:
31 (1) to disseminate any false or misleading advertisement
32 concerning weed-seed infested agricultural seeds and grains, or
33 screenings, in any manner or by any means;
34 (2) to hinder or obstruct in any way any authorized person
35 in the performance of ~~his~~ duties under sections 21.71 to 21.78; *
36 and
37 (3) to fail to comply with a stop-sale order.
021*#74S
38 21.74 EXCEPTIONS.
39 The provisions of section 21.73 shall not apply to:
40 (1) Agricultural seeds and grains, or screenings, not
41 intended for feeding purposes;
42 (2) Weed-seed infested agricultural seeds and grains, or
43 screenings, being transported upon any public highway to or from
44 a cleaning or processing establishment for cleaning or
45 processing, which same are carried or transported in such
46 vehicles or containers as will prevent the leaking or scattering
47 thereof;
48 (3) Weed-seed infested agricultural seeds and grains, or
49 screenings, which have first been devitalized by grinding,
50 heating, chemical treatment, or any other suitable method;
51 (4) The sale of weed-seed infested agricultural seeds and
52 grains, or screenings, to each other by jobbers, manufacturers,
53 or processors who mix or grind concentrated commercial feeding
54 stuff for sale; provided that the restrictions applying to this
55 section, clause (2), are complied with;
56 (5) The sale of weed-seed infested agricultural seeds and
57 grains, or screenings, by any vendor to a consumer, provided
58 that the restrictions set forth in clauses (2) and (3) of this
59 section are complied with. However, where the vendor is not
60 equipped to devitalize weed seeds, the vendor may sell weed-seed
61 infested agricultural seeds, grains, or screenings only to a
62 consumer who holds a permit issued by the commissioner for such
63 a purchase. The commissioner shall issue such a permit annually
64 to a consumer only if the consumer has the necessary facilities
65 for devitalization, as determined by the commissioner, or has
66 access to such facilities. The consumer shall devitalize such
67 weed-seed infested agricultural seeds, grains, or screenings.
68 The commissioner may revoke a permit after due notice and a
69 hearing if the consumer does not comply with the provisions of
70 this clause. The provisions of this clause shall not apply to
71 the sale at a farm auction of a vendors agricultural seeds or
72 grains for feeding or processing purposes. "Farm auction" for

1 the purpose of this clause means the final sale at auction of
 2 the personal property of the farmer to the highest bidder.
 3 However, if such agricultural seeds and grains are sold under
 4 variety names, and in such manner and at such prices as to
 5 indicate that it is intended to use the seeds and grains for
 6 seeding purposes, the seeds and grains are then subject to all
 7 laws relating to cleaning, testing, and labeling of agricultural
 8 seed as set forth in the agricultural seed laws and the
 9 agricultural weed laws of the state of Minnesota and such rules
 10 and regulations as have been promulgated by the commissioner of
 11 agriculture thereunder; and

12 (6) Weed-seed infested agricultural seed and grains or
 13 screenings, produced by the farmer and fed on ~~his~~ the farmer's
 14 own farm, provided it does not contain restricted weed seeds in
 15 excess of the legal limit.

021*#75S

16 21.75 POWERS AND DUTIES OF COMMISSIONER OF AGRICULTURE.

17 Subdivision 1. The duty of enforcing sections 21.71 to
 18 21.78 and carrying out the provisions and requirements thereof
 19 is vested in the commissioner of agriculture. ~~It is the duty of~~
 20 ~~such officer, or through his authorized agents, to~~ The
 21 commissioner, personally or through agents, shall:

22 (1) Sample, inspect, make analysis of, and test weed-seed
 23 infested agricultural seeds and grains, or screenings,
 24 transported, sold, or offered, or exposed for sale within this
 25 state for any purpose, at such time and place, and to such
 26 extent as ~~he~~ the commissioner may deem necessary to determine
 27 whether such weed-seed infested agricultural seeds and grain, or
 28 screenings, is in compliance with the provisions of sections
 29 21.71 to 21.78, and to notify promptly the person who
 30 transported, sold, offered, or exposed the weed-seed infested
 31 agricultural seeds and grains, or screenings, for sale of any
 32 violation;

33 (2) Prescribe and, after public hearing following due
 34 public notice, adopt such rules and regulations as may be
 35 necessary to secure the efficient enforcement of sections 21.71
 36 to 21.78. Such rules and regulations are to be adopted in
 37 accordance with the law; and

38 (3) Prescribe and, after public hearing following due
 39 public notice, establish, add to, or subtract therefrom by
 40 regulations a restricted noxious weed-seed list.

41 Subd. 2. The commissioner of agriculture ~~individually, or~~
 42 ~~through his authorized,~~ personally or through agents, is further
 43 authorized to:

44 (1) enter upon any public or private premises, excluding
 45 the home, during regular business hours in order to have access
 46 to weed-seed infested agricultural seeds and grains, or
 47 screenings, subject to sections 21.71 to 21.78, and the rules
 48 and regulations thereunder;

49 (2) issue and enforce a written or printed stop-sale order
 50 to the owner or custodian of any lot or amount of weed-seed
 51 infested agricultural seeds and grains, or screenings, which the
 52 commissioner finds is in violation of any of the provisions of
 53 sections 21.71 to 21.78, which order shall prohibit further sale
 54 of such weed-seed infested agricultural seeds and grains, or
 55 screenings, until such officer has evidence that the law has
 56 been complied with; provided, that no stop-sale order shall be
 57 issued or attached to any lot or amount of weed-seed infested
 58 agricultural seeds and grains, or screenings, without first
 59 giving the owner or custodian of such weed-seed infested
 60 agricultural seeds and grains, or screenings, an opportunity to
 61 comply with the law; provided, further, that in respect to
 62 weed-seed infested agricultural seeds and grains, or screenings,
 63 which have been denied sale as provided in this paragraph, the
 64 owner or custodian of such weed-seed infested agricultural seeds
 65 and grains, or screenings, shall have the right to appeal from
 66 such order to a court of competent jurisdiction in the locality
 67 in which the weed-seed infested agricultural seeds and grains,
 68 or screenings, are found, praying for a judgment as to the
 69 justification of said order and for the discharge of such
 70 weed-seed infested agricultural seeds and grains, or screenings,
 71 from the order prohibiting the sale in accordance with the
 72 findings of the court; and provided, further, that the
 73 provisions of this paragraph shall not be construed as limiting
 74 the right of the enforcement officer to proceed as authorized by
 75 other sections of 21.71 to 21.78;

1 (3) test weed-seed infested agricultural seeds and grains,
 2 or screenings, under presently existing facilities; and
 3 (4) make or provide for making tests of weed-seed infested
 4 agricultural seeds and grains, or screenings, for farmers and
 5 dealers on request; to prescribe rules and regulations governing
 6 such testing; and to fix and collect charges for the tests made.

021*#76S

7 21.76 INJUNCTION; BOND.

8 When in the performance of ~~his~~ duties the commissioner *
 9 applies to any court for a temporary or permanent injunction
 10 restraining any person from violating or continuing to violate
 11 any of the provisions of sections 21.71 to 21.78, or any rules
 12 and regulations thereunder, said injunction, if any be granted,
 13 shall be issued without bond.

021*#81S

14 21.81 DEFINITIONS.

15 No change for subd 1 to 5

16 Subd. 6. COMMISSIONER. "Commissioner" means the *
 17 commissioner of agriculture or ~~his~~ an authorized agent and may *
 18 include a county agricultural inspector.

19 No change for subd 7 to 34

021*#85S

20 21.85 DUTIES OF THE COMMISSIONER.

21 No change for subd 1 to 5

22 Subd. 6. STOP SALE ORDERS. The commissioner may *
 23 issue and enforce a written or printed "stop sale" order to the
 24 owner or custodian of any lot of seed which ~~he~~ the commissioner *
 25 finds to be in violation of sections 21.80 to 21.92. The order
 26 shall prohibit further sale, conditioning, and movement of the
 27 seed, except on approval of the enforcing officer, until the
 28 officer has evidence that the law has been complied with and has
 29 issued a release from the "stop sale" order. With respect to
 30 seed which has been denied sale, conditioning, or movement, the
 31 owner or custodian of the seed may appeal from the order to a
 32 court where the seeds are found, for the discharge of the seeds
 33 from the order prohibiting the sale, conditioning, or movement
 34 in accordance with the findings of the court. This subdivision
 35 does not limit the right of the enforcement officer to proceed
 36 in a different fashion.

37 No change for subd 7 to 8

38 Subd. 9. PROSECUTIONS. ~~When~~ The commissioner finds, *
 39 on finding that a person has violated any part of sections 21.80 *
 40 to 21.92, ~~he~~ may initiate court proceedings in the locality in *
 41 which the violation occurred. No prosecution shall be
 42 instituted without a person having an opportunity to appear in
 43 person or by a representative before the commissioner to provide
 44 evidence. Either a county attorney or the attorney general may
 45 prosecute actions under sections 21.80 to 21.92.

46 No change for subd 10 to 11

47 Subd. 12. SERVICE TESTING AND IDENTIFICATION. The *
 48 commissioner shall provide for purity and germination tests of
 49 seeds and identification of seeds and plants for farmers,
 50 dealers, and others:--~~He,~~ and may establish and collect fees for *
 51 testing and identification.

52 Subd. 13. SAMPLING EXPORT SEED. The commissioner may *
 53 sample agricultural, vegetable, flower, tree or shrub seeds
 54 which are destined for export to other countries:--~~He,~~ and may *
 55 establish and collect suitable fees from the exporter for this
 56 service.

57 No change for subd 14

021*#88S

58 21.88 PENALTIES.

59 No change for subd 1 to 2

60 Subd. 3. PENALTIES NOT TO APPLY. A person is not *
 61 subject to the penalties in subdivision 1 or 2 for having sold
 62 seeds which were incorrectly labeled or represented as to kind,
 63 species, subspecies, if appropriate, variety, type, origin and
 64 year, elevation or place of collection if required, if the seeds
 65 cannot be identified by examination unless ~~he~~ the person has *
 66 failed to obtain an invoice or genuine grower's or tree seed
 67 collector's declaration or other labeling information and to
 68 take other reasonable precautions to ensure the identity is as
 69 stated.

021*#90S

70 21.90 HYBRID SEED FIELD CORN VARIETY REGISTRATION.

71 No change for subd 1

1 Subd. 2. FEES. A record of each hybrid seed field
 2 corn variety to be sold in Minnesota shall be registered with
 3 the commissioner by February 1 of each year by the originator or
 4 owner. The commissioner shall establish the annual fee for
 5 registration for each variety. The record shall include the
 6 permanent designation of the hybrid as well as the day
 7 classification and zone of adaptation, as determined under
 8 subdivision 1, which the originator or owner declares to be the
 9 zone in which the variety is adapted. In addition, at the time
 10 of the first registration of a hybrid seed field corn variety,
 11 the originator or owner shall include a sworn statement that ~~his~~ *
 12 the declaration of the zone of adaptation was based on actual *
 13 field trials in that zone and that the field trials substantiate *
 14 ~~his~~ the declaration as to the day and zone classifications to
 15 which the variety is adapted. The name or number used to
 16 designate a hybrid seed field corn variety in the registration
 17 is the only name of all seed corn covered by or sold under that
 18 registration.

19 No change for subd 3

024*#141S

20 24.141 ILLEGAL ACTS; LABELING REQUIREMENTS.

21 (a) It is unlawful for any person to sell, offer or expose
 22 for sale or to ~~have-in-his-possession~~ possess with intent to *
 23 sell within this state any paint, varnish, paint oil or solvent,
 24 of whatever nature, that is adulterated, misbranded,
 25 insufficiently or improperly labeled within the meaning of
 26 sections 24.135 to 24.175 or the rules or regulations adopted by
 27 the commissioner. The label shall contain the following
 28 information: (1) the name, brand or trademark of the product;
 29 (2) the name and address of the manufacturer, distributor, or
 30 the person for whom the product was manufactured; (3) the net
 31 weight or measure, as the case may be, which is contained in the
 32 package; (4) a complete ingredient statement. Whenever it is
 33 not possible or practical to use the chemical name, the
 34 commissioner may approve the use of other names or terms in the
 35 ingredient statement. Tinting colors not exceeding five percent
 36 by weight need not be declared on the label.

024*#145S

37 24.145 INSPECTION; TESTS.

38 For obtaining information regarding the suspected
 39 violations of law, the commissioner, ~~his~~ and the commissioner's *
 40 assistants, appointees, agents and employees shall have access
 41 to all places where any paint, varnish, paint oil, solvent, or
 42 other article is manufactured, sold or stored for sale, the
 43 manufacture, sale or transportation of which is restricted,
 44 regulated or prohibited by sections 24.135 to 24.175 or by any
 45 law of this state. They may inspect any package, receptacle or
 46 container found therein apparently containing any paint,
 47 varnish, paint oil, solvent, or ingredients thereof, or any
 48 other article, the manufacture, sale or transportation of which
 49 is restricted, regulated or forbidden by sections 24.135 to
 50 24.175 or by any law of this state and may take samples
 51 therefrom for analysis. Any person obstructing such entry or
 52 inspection or who fails upon request to furnish information
 53 requested by the commissioner, is guilty of a misdemeanor.

024*#151S

54 24.151 STOP-SALE ORDER.

55 The commissioner shall issue and enforce a written or
 56 printed "stop-sale use or removal" order to the owner or
 57 custodian of any lot of paint, varnish, paint oil or solvent
 58 when the commissioner finds that the product is being offered or
 59 exposed for sale in violation of any of the provisions of
 60 sections 24.135 to 24.175, and ~~his~~ the commissioner's order *
 61 shall direct that the product shall be held at a designated
 62 place until the provisions of sections 24.135 to 24.175 have
 63 been complied with and the product is released in writing by the
 64 commissioner. However, the owner or custodian of such paint,
 65 varnish, paint oil or solvent has the right to appeal from such
 66 order to a court of competent jurisdiction in the county or city
 67 where the product is found, praying for a judgment as to the
 68 justification of the order, and for the discharge of the product
 69 from the order prohibiting the sale in accordance with the
 70 findings of the court. The provisions of this section shall not
 71 be construed as limiting the right of the enforcement officer to
 72 proceed as authorized by other provisions of sections 24.135 to
 73 24.175. The commissioner shall release the paint, varnish,

1 paint oil or solvent held under any stop-sale use or removal
 2 order when the requirements of sections 24.135 to 24.175 have
 3 been complied with and upon payment of all reasonable costs and
 4 expenses incurred in connection with such order. When the
 5 commissioner issues and enforces a "stop-sale, use or removal"
 6 order against any paint, varnish, paint oil or solvent declared
 7 in violation of sections 24.135 to 24.175, in possession of any
 8 dealer or distributor, such dealer or distributor may return to
 9 the person from whom such paint, varnish, paint oil or solvent
 10 was purchased all unbroken retail containers affected by such
 11 order and such person shall reimburse the dealer or distributor
 12 for the full purchase price, including all delivery costs.

024*#161S

13 24.161 COMMISSIONER'S DUTIES; RULES.

14 The commissioner shall enforce all of the provisions of
 15 sections 24.135 to 24.175, and may prescribe such rules and
 16 regulations relating to the sale and distribution of paint,
 17 varnish, paint oil or solvent as he the commissioner may find *
 18 necessary and proper ~~in his judgment~~ to best carry out the *
 19 purpose of sections 24.135 to 24.175. Such rules and
 20 regulations shall be promulgated in the manner provided by law.

024*#18S

21 24.18 LABELING OF WOOD ALCOHOL.

22 No person, ~~by himself, his~~ directly or through a servant, *
 23 or agent, or as the servant or agent of another, shall sell, *
 24 exchange, deliver, or have in his custody or possession possess, *
 25 with intent to sell, exchange, or deliver, or expose or offer
 26 for sale, exchange or delivery, any wood alcohol, or substance
 27 commonly known as wood alcohol, unless each package, bottle,
 28 cask, can, or receptacle containing the wood alcohol shall be
 29 plainly marked, stamped, branded, or labeled on the outside and
 30 face of each package, bottle, cask, can, or receptacle of the
 31 capacity of less than one gallon, in legible type not smaller
 32 than large primer, and on the outside and face of each package,
 33 bottle, cask, can, or receptacle of the capacity of one gallon
 34 or more, in legible letters of not less than one inch in length,
 35 the letters and words "wood naphtha," "poison."

024*#33S

36 24.33 DEFINITIONS.

37 For the purposes of sections 24.32 to 24.42:

38 (a) The term "department" means the department of
 39 agriculture;

40 (b) The term "commissioner" means the commissioner of the
 41 department of agriculture;

42 (c) The term "person" includes an individual, partnership,
 43 corporation, and association;

44 (d) The term "hazardous substance" means any substance
 45 except drugs and medicines or mixture of substances except drugs
 46 and medicines which is (1) toxic, (2) corrosive, (3) an
 47 irritant, (4) strong sensitizer, (5) flammable, or which (6)
 48 generates pressure through decomposition, heat, or other means,
 49 if such hazardous substance or mixture of hazardous substances
 50 may cause substantial personal injury or illness during any
 51 customary or reasonably anticipated handling or use; provided,
 52 however, the term "hazardous substance" shall not include
 53 substances stored and intended for use as fuel in a heating,
 54 cooking, or refrigeration system;

55 (e) The term "toxic" shall apply to any hazardous substance
 56 which has the inherent capacity to produce bodily injury to
 57 ~~man~~ humans through ingestion, inhalation, or absorption through *
 58 any body surface;

59 (f) (1) The term "highly toxic" means any hazardous

60 substance which falls within any of the following categories:

61 (a) Produces death within 14 days in half or more than half of a
 62 group of ten or more laboratory white rats each weighing between
 63 200 and 300 grams, at a single dose of 50 milligrams or less per
 64 kilogram of body weight, when orally administered; or (b)

65 produces death within 14 days in half or more than half of a
 66 group of ten or more laboratory white rats each weighing between
 67 200 and 300 grams, when inhaled continuously for a period of one
 68 hour or less at an atmospheric concentration of 200 parts per
 69 million by volume or less of gas, vapor, mist, or dust, provided
 70 such concentration is likely to be encountered by ~~man~~ humans *
 71 when the substance is used in any reasonably foreseeable manner;

72 or (c) produces death within 14 days in half or more than half
 73 of a group of ten or more rabbits tested in a dosage of 200

1 milligrams or less per kilogram of body weight, when
2 administered by continuous contact with the bare skin for 24
3 hours or less.

4 (2) If the commissioner finds that available data on human
5 experience with any hazardous substance indicate results
6 different from those obtained on animals in the above named
7 dosages or concentrations, the human data shall take precedence.

8 (g) The term "corrosive" means any hazardous substance
9 which in contact with living tissue will cause destruction of
10 tissue by chemical action; but shall not refer to action on
11 inanimate surfaces;

12 (h) The term "irritant" means any hazardous substance not
13 corrosive within the meaning of (g) which on immediate,
14 prolonged, or repeated contact with normal living tissue will
15 induce a local inflammatory reaction;

16 (i) The term "strong sensitizer" means any hazardous
17 substance which will cause, on normal living tissue through an
18 allergic or photodynamic process, a hypersensitivity which
19 becomes evident on reapplication of the same hazardous substance
20 and which is designated as such by the commissioner. Before
21 designating any hazardous substance as a strong sensitizer, the
22 commissioner shall, after public hearing, following due notice,
23 find that the frequency or occurrence and severity of the
24 reaction indicate a significant potential for causing
25 hypersensitivity;

26 (j) The term "extremely flammable" shall apply to any
27 hazardous substance which has a flash point at or below 20
28 degrees Fahrenheit as determined by the Tagliabue Open Cup
29 Tester, and the term "flammable" shall apply to any hazardous
30 substance which has a flash point of above 20 degrees to and
31 including 80 degrees Fahrenheit, as determined by the Tagliabue
32 Open Cup Tester; except that the flammability of the contents of
33 self-pressurized containers shall be determined by methods
34 generally applicable to such containers and established by
35 regulations issued by the commissioner;

36 (k) The term "label" means a display of written, printed,
37 or graphic matter upon or attached to the immediate package or
38 container of any hazardous substance; and a requirement made by
39 or under authority of sections 24.32 to 24.42 that any word,
40 statement, or other information appearing on the label shall not
41 be considered to be complied with unless such word, statement,
42 or other information also appears (1) on the outside container
43 or wrapper, if any there be, unless it is easily legible through
44 the outside container or wrapper and (2) on all accompanying
45 literature where there are directions for use, written, or
46 otherwise;

47 (l) The term "immediate container" does not include package
48 liners;

49 (m) The term "misbranded package" means any container of a
50 hazardous substance intended or suitable for household use which
51 fails to bear a label:

52 (1) which states conspicuously (A) the name and place of
53 business of the manufacturer, packer, or distributor; (B) the
54 common usual name, or the chemical name or the recognized
55 generic name (not trade name only) of the hazardous substance or
56 of each component which contributes substantially to its hazard;
57 (C) the signal word "DANGER" on hazardous substances which are
58 extremely flammable, corrosive, or highly toxic; (D) the signal
59 word "WARNING" or "CAUTION" on all other hazardous substances;
60 (E) an affirmative statement of the principal hazard or hazards,
61 such as "Flammable", "Vapor Harmful", "Causes Burns", "Absorbed
62 Through Skin", or similar wording descriptive of the hazard; (F)
63 precautionary measures describing the action to be followed or
64 avoided; (G) instructions, when necessary, for the first aid
65 treatment in case of contact or exposure, if the substance is
66 hazardous through contact or exposure; (H) the word "poison" for
67 any hazardous substance which is defined as "Highly toxic" by
68 subsection (f); (I) instructions for handling and storage of
69 packages which require special care in handling or storage; and
70 (J) the statement "Keep out of the reach of children", or its
71 practical equivalent, and

72 (2) on which any statements required under clause (1) of
73 this subsection are located prominently and are in the English
74 language in legible type in contrast by typography, layout, or
75 color with other printed matter on the label: Provided, that
76 the commissioner shall, by regulations, provide for minimum

1 information which shall appear on the labels for small packages,
 2 which labels need not include all of the information required by
 3 this subsection: Provided further, that the commissioner may
 4 permit less than the foregoing statement of the hazard or
 5 precautionary measures for labels of hazardous substances
 6 presenting only minor hazards; and the term "misbranded package"
 7 shall not apply to packages of economic poisons subject to the
 8 federal insecticide, fungicide, and rodenticide act, nor to
 9 packages of foods, drugs, and cosmetics subject to the federal
 10 food, drug, and cosmetic act.

024*#36S

11 24.36 STOP-SALE ORDER; SEIZURES.

12 Subdivision 1. The commissioner shall issue and enforce a
 13 written or printed "stop-sale use or removal" order to the owner
 14 or custodian of any hazardous substance when the commissioner
 15 finds that the product is being offered or exposed for sale in
 16 violation of any of the provisions of sections 24.32 to 24.42,
 17 and ~~his~~ the commissioner's order shall direct that the product *
 18 shall be held at a designated place until the provisions of
 19 sections 24.32 to 24.42 have been complied with and the product
 20 is released in writing by the commissioner. However, the owner
 21 or custodian of such product has the right to appeal from such
 22 order to a court of competent jurisdiction in the county or city
 23 where the product is found, praying for a judgment as to the
 24 justification of the order, and for the discharge of the product
 25 from the order prohibiting the sale in accordance with the
 26 findings of the court. The provisions of this section shall not
 27 be construed as limiting the right of the enforcement officer to
 28 proceed as authorized by other provisions of sections 24.32 to
 29 24.42. The commissioner shall release the hazardous substance
 30 held under any stop-sale use or removal order when the
 31 requirements of sections 24.32 to 24.42 have been complied with
 32 and upon payment of all reasonable costs and expenses incurred
 33 in connection with such order. When the commissioner issues and
 34 enforces a "stop-sale, use or removal" order against any
 35 hazardous substance declared in violation of sections 24.32 to
 36 24.42, in possession of any dealer or distributor, such dealer
 37 or distributor may return to the person from whom such hazardous
 38 substance was purchased all unbroken retail containers affected
 39 by such order and such person shall reimburse the dealer or
 40 distributor for the full purchase price, including all delivery
 41 costs.

42 No change for subd 2

024*#37S

43 24.37 HEARING BEFORE REPORT OF CRIMINAL VIOLATION.

44 Before any violation of sections 24.32 to 24.42 is reported
 45 by the commissioner to any state's attorney for institution of a
 46 criminal proceedings, the person against whom such proceeding is
 47 contemplated shall be given appropriate notice and an
 48 opportunity to present ~~his~~ views, either orally or in writing, *
 49 with regard to such contemplated proceeding.

025*#33S

50 25.33 DEFINITIONS.

51 No change for subd 1 to 7

52 Subd. 8. "Drug" means any article intended for use in the
 53 diagnosis, cure, mitigation, treatment, or prevention of disease
 54 in animals other than ~~man~~ humans and articles other than feed *
 55 intended to affect the structure or any function of the animal
 56 body.

57 No change for subd 9 to 16

58 Subd. 17. "Official sample" means a sample of feed taken *
 59 by the commissioner or ~~his~~ the commissioner's agent in *
 60 accordance with the provisions of section 25.41, subdivisions 3,
 61 5, or 6.

62 No change for subd 18 to 20

025*#34S

63 25.34 REGISTRATION.

64 Subdivision 1. No person shall manufacture a commercial *
 65 feed in this state, ~~unless he has filed~~ without filing with the *
 66 commissioner on forms provided by the commissioner, ~~his~~ the *
 67 person's name, place of business and location of each *
 68 manufacturing facility in this state.

69 No change for subd 2

70 Subd. 3. The commissioner may refuse registration of any
 71 commercial feed not in compliance with the provisions of
 72 sections 25.31 to 25.44 and may cancel any registration

1 subsequently found not to be in compliance with any provision of
 2 sections 25.31 to 25.44. No registration shall be refused or
 3 cancelled unless the registrant shall have been given an
 4 opportunity to be heard before the commissioner and to amend his
 5 the registrant's application in order to comply with the
 6 requirements of sections 25.31 to 25.44.

*
 *

025*#35S

7 25.35 LABELING.

8 A commercial feed shall be labeled as follows:

9 (A) In case of a commercial feed, except a customer formula
 10 feed, it shall be accompanied by a label bearing the following
 11 information:

12 (1) The net weight.

13 (2) The product name and the brand name, if any, under
 14 which the commercial feed is distributed.

15 (3) The guaranteed analysis stated in such terms as the
 16 commissioner by regulation determines is required to advise the
 17 user of the composition of the feed or to support claims made in
 18 the labeling. In all cases the substances or elements must be
 19 determinable by laboratory methods such as the methods published
 20 by the Association of Official Analytical Chemists.

21 (4) The common or usual name of each ingredient used in the
 22 manufacture of the commercial feed. The commissioner may by
 23 regulation permit the use of a collective term for a group of
 24 ingredients which perform a similar function, or he may exempt
 25 such commercial feeds, or any group thereof, from this
 26 requirement of an ingredient statement ~~if he finds~~ on finding
 27 that such statement is not required in the interest of consumers.

*
 *

28 (5) The name and principal mailing address of the
 29 manufacturer or the person responsible for distributing the
 30 commercial feed.

31 (6) Adequate directions for use for all commercial feeds
 32 containing drugs and for such other feeds as the commissioner
 33 may require by regulation as necessary for their safe and
 34 effective use.

35 (7) Such precautionary statements as the commissioner by
 36 regulation determines are necessary for the safe and effective
 37 use of the commercial feed.

38 (B) In the case of a customer formula feed, it shall be
 39 accompanied by a label, invoice, delivery slip, or other
 40 shipping document, bearing the following information:

41 (1) Name and address of the manufacturer.

42 (2) Name and address of the purchaser.

43 (3) Date of delivery.

44 (4) The product name and brand name, if any, and either (1)
 45 the net weight of each registered commercial feed used in the
 46 mixture, and the net weight of each other ingredient used, or
 47 (2) a guaranteed analysis and list of ingredients in paragraph
 48 (A), (3) and (4).

49 (5) Adequate directions for use for all customer formula
 50 feeds containing drugs and for such other feeds as the
 51 commissioner may require by regulation as necessary for their
 52 safe and effective use.

53 (6) Such precautionary statements as the commissioner by
 54 regulation determines are necessary for the safe and effective
 55 use of the customer formula feed.

025*#37S

56 25.37 ADULTERATION.

57 A commercial feed shall be deemed to be adulterated:

58 (A) If it bears or contains any poisonous or deleterious
 59 substance which may render it injurious to health; but in case
 60 the substance is not an added substance, such commercial feed
 61 shall not be considered adulterated under this section if the
 62 quantity of such substance in such commercial feed does not
 63 ordinarily render it injurious to health; or

64 (B) If it bears or contains any added poisonous, added
 65 deleterious, or added nonnutritive substance which is unsafe
 66 within the meaning of section 406 of the federal food, drug, and
 67 cosmetic act, other than the one which is a pesticide chemical
 68 in or on a raw agricultural commodity, or a food additive; or

69 (C) If it is, or it bears or contains any food additive
 70 which is unsafe within the meaning of section 409 of the federal
 71 food, drug, and cosmetic act; or

72 (D) If it is a raw agricultural commodity and it bears or
 73 contains a pesticide chemical which is unsafe within the meaning
 74 of section 408(a) of the federal food, drug, and cosmetic act;

1 provided, that where a pesticide chemical has been used in or on
 2 a raw agricultural commodity in conformity with an exemption
 3 granted or a tolerance prescribed under section 408 of the
 4 federal food, drug, and cosmetic act and such raw agricultural
 5 commodity has been subjected to processing such as canning,
 6 cooking, freezing, dehydrating, or milling, the residue of such
 7 pesticide chemical remaining in or on such processed feed shall
 8 not be deemed unsafe if such residue in or on the raw
 9 agricultural commodity has been removed to the extent possible
 10 in good manufacturing practice and the concentration of such
 11 residue in the processed feed is not greater than the tolerance
 12 prescribed for the raw agricultural commodity unless the feeding
 13 of such processed feed will result or is likely to result in a
 14 pesticide residue in the edible product of the animal, which is
 15 unsafe within the meaning of section 408(a) of the federal food,
 16 drug, and cosmetic act; or

17 (E) If it is, or it bears or contains any color additive
 18 which is unsafe within the meaning of section 706 of the federal
 19 food, drug and cosmetic act; or

20 (F) If any valuable constituent has been in whole or in
 21 part omitted or abstracted therefrom or any less valuable
 22 substance substituted therefor; or

23 (G) If its composition or quality falls below or differs
 24 from that which it is purported or is represented to possess by
 25 its labeling; or

26 (H) If it contains a drug and the methods used in or the
 27 facilities or controls used for its manufacture, processing, or
 28 packaging do not conform to current good manufacturing practice
 29 regulations promulgated by the commissioner to assure that the
 30 drug meets the requirement of this act as to safety and has the
 31 identity and strength and meets the quality and purity
 32 characteristics which it purports or is represented to possess.
 33 In promulgating such regulations, the commissioner shall adopt
 34 the current good manufacturing practice regulations for
 35 medicated feed premixes and for medicated feeds established
 36 under authority of the federal food, drug, and cosmetic act,
 37 unless he the commissioner determines that they are not *
 38 appropriate to the conditions which exist in this state; or

39 (I) If it contains viable weed seeds in amounts exceeding
 40 the limits which the commissioner shall establish by rule or
 41 regulation.

025*#40S

42 25.40 RULES AND REGULATIONS.

43 Subdivision 1. The commissioner may promulgate such rules
 44 and regulations for commercial feeds and pet foods as are
 45 authorized in sections 25.31 to 25.44 and such other reasonable
 46 rules and regulations as may be necessary for the efficient
 47 enforcement of sections 25.31 to 25.44. In the interest of
 48 uniformity the commissioner shall by regulation adopt, unless he *
 49 the commissioner determines that they are inconsistent with the *
 50 provisions of sections 25.31 to 25.44 or are not appropriate to
 51 conditions which exist in this state, the following:

52 (A) The official definitions of feed ingredients and
 53 official feed terms adopted by the Association of American Feed
 54 Control Officials and published in the official publication of
 55 that organization, and

56 (B) Any regulation promulgated pursuant to the authority of
 57 the federal food, drug, and cosmetic act, provided, that the
 58 commissioner would have the authority under sections 25.31 to
 59 25.44 to promulgate such regulations.

60 No change for subd 2

025*#41S

61 25.41 INSPECTION, SAMPLING, AND ANALYSIS.

62 No change for subd 1 to 2

63 Subd. 3. If the officer or employee making such inspection
 64 of a factory, warehouse, or other establishment has obtained a
 65 sample in the course of the inspection, upon completion of the
 66 inspection and prior to leaving the premises he the officer or *
 67 employee shall give to the owner, operator, or agent in charge a *
 68 receipt describing the samples obtained.

69 Subd. 4. If the owner of any factory, warehouse, or
 70 establishment described in subdivision 1, or his the owner's *
 71 agent, refuses to admit the commissioner or his the *
 72 commissioner's agent to inspect in accordance with subdivisions *
 73 1 and 2, the commissioner is authorized to obtain from the
 74 district court of the county in which the premises are located a

1 warrant directing such owner or ~~his~~ agent to submit the premises *
2 described in such warrant to inspection.

3 Subd. 5. For the purpose of the enforcement of sections *
4 25.31 to 25.44, the commissioner or ~~his~~ the commissioner's duly *
5 designated agent is authorized to enter upon any public or
6 private premises including any vehicle of transport during
7 regular business hours to have access to, and to obtain samples,
8 and to examine records relating to distribution of commercial
9 feeds.

10 No change for subd 6 to 8

025*#42S

11 25.42 DETAINED COMMERCIAL FEEDS.

12 Subdivision 1. When the commissioner or ~~his~~ the *
13 commissioner's authorized agent has reasonable cause to believe *
14 any lot of commercial feed is being distributed in violation of
15 any of the provisions of sections 25.31 to 25.44 or of any of
16 the prescribed regulations under sections 25.31 to 25.44, he the *
17 commissioner or agent may issue and enforce a written or printed *
18 "withdrawal from distribution" order, warning the distributor
19 not to dispose of the lot of commercial feed in any manner until
20 written permission is given by the commissioner or the court.
21 The commissioner shall release the lot of commercial feed so
22 withdrawn when said provisions and regulations have been
23 complied with. If compliance is not obtained within 30 days,
24 the commissioner may begin, or upon request of the distributor
25 or registrant shall begin, proceedings for condemnation.

26 No change for subd 2

025*#43S

27 25.43 PENALTIES.

28 Subdivision 1. Any person convicted of violating any of
29 the provisions of sections 25.31 to 25.44 or who shall impede,
30 hinder, or otherwise prevent, or attempt to prevent, said
31 commissioner or ~~his~~ duly authorized agent in performance of ~~his~~ *
32 a duty in connection with the provisions of sections 25.31 to *
33 25.44, shall be guilty of a misdemeanor.

34 Subd. 2. Nothing in sections 25.31 to 25.44 shall be
35 construed as requiring the commissioner or ~~his~~ the *
36 commissioner's representative to: (1) report for prosecution, *
37 or (2) institute seizure proceedings, or (3) issue a withdrawal
38 from distribution order, as a result of minor violations of
39 sections 25.31 to 25.44, or when he the commissioner or *
40 representative believes the public interest will best be served *
41 by suitable notice of warning in writing.

42 Subd. 3. Each county attorney to whom any violation is
43 reported shall cause appropriate proceedings to be instituted
44 and prosecuted in the district court or other court of competent
45 jurisdiction without delay. Before the commissioner reports a
46 violation for such prosecution, an opportunity shall be given
47 the distributor to present ~~his-view~~ views to the commissioner. *

48 No change for subd 4 to 5

027*#03S

49 27.03 DEALER REGULATION.

50 Subdivision 1. LICENSE. No person except a wool
51 dealer shall engage in, or purport to be engaged in, or hold
52 ~~himself~~ out as being engaged in, the business of a dealer at *
53 wholesale, or as being a dealer at wholesale, unless ~~he-shall-be~~ *
54 licensed and bonded to carry on such business by the
55 commissioner.

56 No change for subd 2

027*#04S

57 27.04 APPLICATION FOR LICENSE.

58 License to engage in the business of a dealer at wholesale
59 within the state shall be issued by the commissioner to such
60 reputable persons as apply therefor, pay the prescribed fee, and
61 comply with the conditions herein specified.

62 The application shall be in writing, accompanied by the
63 prescribed fee and under oath, and shall set forth the place or
64 places where the applicant intends to carry on the business for
65 which the license is desired, the estimated amount of business
66 to be done monthly, the amount of business done during the
67 preceding year, if any; the full names of the persons
68 constituting the firm, in case the applicant is a copartnership,
69 the names of the officers of the corporation and where
70 incorporated, if a corporation, and a financial statement
71 showing the value and character of the assets and the amount of
72 liabilities of the applicant.

1 Applications shall be filed annually to be reviewed
 2 semi-annually. Upon special order, the commissioner may require
 3 persons engaged in the business of a dealer at wholesale to file
 4 at the time and in the manner the commissioner directs, sworn or
 5 unsworn reports or answers in writing to specific questions on
 6 any matter which the commissioner may investigate.

7 For the purposes of this section, the commissioner or ~~his~~ *
 8 the commissioner's authorized agents shall have authority to *
 9 audit and review any records relating to the financial condition
 10 of any dealer at wholesale or any transactions between such
 11 dealer and those entitled to the protections of this chapter, if
 12 such records are in the possession of or under the case,
 13 custody, or control of such dealer or ~~his~~ the dealer's *
 14 authorized agent. No person shall willfully make any false
 15 entries or statements or fail to make full and true entries and
 16 statements in any report, answer required, document demanded
 17 under this section. No person shall remove from the state,
 18 mutilate, or alter any document relevant to any investigation,
 19 hearing, or proceeding conducted under chapter 27.

027*#041S

20 27.041 BONDS; LICENSES.

21 Subdivision 1. BONDS. The applicant required to be
 22 bonded shall execute and file with the commissioner a surety
 23 bond to the state of Minnesota to be approved by the
 24 commissioner, the amount, form, and effective date to be fixed
 25 by the commissioner with the maximum not to exceed \$500,000. In
 26 lieu of said surety bond the commissioner may accept a duly
 27 executed letter of credit. Said bond or letter of credit shall
 28 be conditioned on the faithful performance of the applicant's
 29 duties as a dealer at wholesale including: (1) the observance
 30 of all laws relating to the carrying on of the business of a
 31 dealer at wholesale; (2) the payment when due of the purchase
 32 price of produce purchased by ~~him~~ the applicant when notice of *
 33 default is given the commissioner within 40 days after the due
 34 date, unless it appears to the commissioner that a voluntary
 35 extension of credit has been given on the produce by the seller
 36 to the licensee beyond the due date; (3) the prompt settlement
 37 and payment of all claims and charges due the state for services
 38 rendered or otherwise; (4) the prompt reporting of sales as
 39 required by law to all persons consigning produce to the
 40 licensee for sale on commission, and; (5) the prompt payment to
 41 the persons entitled thereto of the proceeds of the sales, less
 42 lawful charges, disbursements, and commissions. The bond shall
 43 cover all wholesale produce business subject to the protection
 44 outlined in section 27.001 which is: (1) transacted within this
 45 state; or (2) transacted in part within this state and in part
 46 within the states and provinces contiguous with this state.

47 Subd. 2. LICENSES. The license, or a certified copy
 48 of the license, must be kept posted in the office of the
 49 licensee at each place within the state where ~~he~~ the licensee *
 50 transacts business. Every license shall expire June 30
 51 following its issuance and thereafter be renewed July 1 each
 52 year. Any license issued under this subdivision is
 53 automatically void upon the termination of the surety bond
 54 covering the licensed operation. The fee for each license shall
 55 be based on the following schedule:

	Penalty for		
License Fee	Late Renewal		Dollar Volume of Business
\$ 30	\$10		\$10,000 or less per month
\$ 60	\$15		Over \$10,000 to \$50,000 per month
\$180	\$45		Over \$50,000 to \$100,000 per month
\$240	\$60		Over \$100,000 per month

63 A fee of \$10 shall be charged for each certified copy of a
 64 license, \$2 for each license identification card, and \$2 for
 65 each license identification truck decal. The commissioner shall
 66 make appropriate license fee adjustments for up to one year from
 67 July 1, 1975 for persons required to be licensed hereunder, who
 68 hold validly issued licenses as of the effective date of Laws
 69 1975, chapter 227 under the provisions of law amended or
 70 repealed herein. ~~When the~~ A licensee who sells, disposes of, or *
 71 discontinues ~~his~~ the licensee's business during the lifetime of *
 72 ~~his a~~ a license ~~he~~ shall at the time the action is taken, notify *
 73 the commissioner in writing, and upon demand produce before the
 74 commissioner a full statement of all assets and liabilities as
 75 of the date of transfer or discontinuance of the business.

1 Money collected from license fees shall be deposited in the
2 state treasury.

027*#05S

3 27.05 ADDITIONAL BONDS.

4 The commissioner, when ~~he is~~ of the opinion that any bond *
5 theretofore given by any licensee is inadequate for the proper *
6 protection of the public, may require the licensee to give *
7 additional bonds in such amounts as from time to time ~~he the~~ *
8 commissioner may determine and direct, with sureties to be *
9 approved by the commissioner, and conditioned as set forth in
10 section 27.04. For the purpose of fixing or changing the amount
11 of such bonds, the commissioner may require from a licensee
12 verified statements of ~~his~~ the licensee's business. Failure of *
13 the licensee to furnish such information or to give a new or *
14 additional bond is cause for suspension of ~~his~~ the licensee's *
15 license for as long as the failure continues, or revocation of
16 the license, on ten days' notice to the licensee and opportunity
17 to be heard. Where the public interest requires it the
18 commissioner may suspend the license after such notice pending
19 hearing and decision.

027*#06S

20 27.06 COMPLAINTS TO COMMISSIONER, HEARING; ACTION ON
21 BOND.

22 Any person claiming ~~himself~~ to be damaged by any breach of *
23 the conditions of a bond given by a licensee, as herein *
24 provided, may enter complaint thereof to the commissioner, which *
25 complaint shall be a written statement of the facts constituting
26 the complaint. Upon filing the complaint in the manner herein
27 provided, the commissioner shall investigate the charges made
28 and have the matter heard as a contested case pursuant to
29 chapter 14. No hearing shall be required if all affected
30 parties to a bond claim proceeding waive their right to a
31 hearing and agree to accept the commissioner's determination as
32 to the validity of the claims and the allocation of the proceeds
33 of the bond.

027*#07S

34 27.07 GRADES ESTABLISHED; INSPECTION.

35 No change for subd 1 to 2

36 Subd. 3. ~~When~~ Any person having who wants produce desires *
37 to have-it be inspected ~~he~~ may apply to the commissioner for the *
38 service of an inspector and, if it appears to the commissioner
39 that the volume of the produce is sufficient to justify the
40 request, ~~he the~~ commissioner may grant the service upon terms *
41 and conditions fixed by ~~him~~ the commissioner and this section. *

42 Subd. 4. The commissioner may require an agreement, prior
43 to the establishment of the inspection service, requiring the
44 user of the inspection service to at all times have on deposit
45 with the department a sufficient amount of money to pay the
46 estimated costs of such inspection service for a period of not
47 less than 15 days in advance. When any such agreement shall
48 terminate by action of either party thereto, the commissioner
49 shall pay to the depositor any moneys remaining to ~~his~~ the *
50 depositor's credit after the deduction of the costs at the time *
51 such agreement terminates.

52 No change for subd 5

027*#10S

53 27.10 PRODUCE EXAMINED, WHEN.

54 When produce is shipped to or received by a dealer at
55 wholesale for handling, purchase, or sale in this state at any
56 market point therein giving inspection service, as provided for
57 in section 27.07, and the dealer at wholesale finds the same to
58 be in a spoiled, damaged, unmarketable, or unsatisfactory
59 condition, unless both parties shall waive inspection before
60 sale or other disposition thereof, ~~he the~~ dealer shall cause the *
61 same to be examined by an inspector assigned by the commissioner
62 for that purpose, and the inspector shall execute and deliver a
63 certificate to the applicant thereof stating the day, the time
64 and place of the inspection, and the condition of the produce
65 and mail or deliver a copy of the certificate to the shipper
66 thereof.

027*#11S

67 27.11 SHIPMENTS ON CONSIGNMENT.

68 When any dealer at wholesale to whom produce has been
69 shipped or consigned for sale on a commission basis or on
70 consignment or under any circumstances wherein the title to the
71 produce remains with the shipper, has received the same, ~~he the~~ *

1 dealer shall, within a reasonable time thereafter, make a *
 2 written report to the shipper, which report shall include the
 3 exact time of arrival, the quantity, quality, and price per unit
 4 of the produce and at the same time ~~he~~ shall pay the shipper the *
 5 net amount due ~~him~~. *

027*#12S

6 27.12 SHIPPER MAY COMPLAIN TO COMMISSIONER.
 7 When a shipper, after demand therefor, shall have received
 8 no remittance or report of sale, or shall be dissatisfied with
 9 the remittance, sale, or report, ~~he~~ the shipper may complain in *
 10 writing to the commissioner, who shall investigate the matter
 11 complained of.

027*#13S

12 27.13 INVESTIGATION OF COMPLAINTS; SUSPENSION OR
 13 REVOCATION OF LICENSE.
 14 The commissioner is authorized to receive complaints
 15 against any persons dealing in, shipping, transporting, storing,
 16 or selling produce, and shall have authority to make any and all
 17 necessary investigations relative to the handling of, or *
 18 storing, shipping, or dealing in produce at wholesale and ~~he~~
 19 shall, at all times, have access to all buildings, yards,
 20 warehouses, storage and transportation facilities in which any
 21 produce is kept, stored, handled or transacted. For the purpose
 22 of enforcing the provisions of sections 27.01 to 27.15 and
 23 27.19, the commissioner shall have the authority, upon complaint
 24 being filed ~~with him~~ for any alleged violation of the provisions *
 25 thereof, or the regulations issued thereunder, or upon
 26 information furnished by an inspector of the department of
 27 agriculture, to suspend while violation continues or revoke any
 28 license issued by ~~him~~ the commissioner upon ten days notice to *
 29 the licensee and an opportunity to be heard. Where the public
 30 interest requires it the commissioner may suspend a license
 31 after such notice pending hearing and decision. ~~He~~ The *
 32 commissioner shall have, and is hereby granted, full authority *
 33 to issue subpoenas requiring the attendance of witnesses
 34 before ~~him~~ the commissioner, with books, papers, and other *
 35 documents, articles, or instruments, and to compel the
 36 disclosure by such witnesses of all facts known to them relative
 37 to the matter under investigation, and shall have full authority
 38 to administer oaths and to take testimony; and the commissioner
 39 shall thereafter give the complainant a written report of the
 40 investigation. Such report shall be prima facie evidence of the
 41 matters therein contained. All parties disobeying the orders or
 42 subpoenas of the commissioner shall be guilty of contempt as in
 43 proceedings in district courts of the state and may be punished
 44 in like manner.

027*#19S

45 27.19 VIOLATIONS, PENALTIES.
 46 Any person subject to the provisions of sections 27.01 to
 47 27.15 and 27.19 who shall:
 48 (1) Operate or advertise to operate as a dealer at
 49 wholesale without a license; or
 50 (2) Make any false statement or report as to the grade,
 51 condition, markings, quality, or quantity of produce, as defined
 52 in section 27.069, received or delivered, or act in any manner
 53 so as to deceive the consignor or purchaser thereof; or
 54 (3) Refuse to accept any shipment contracted for by ~~him~~ the *
 55 person, unless such refusal is based upon the showing of a state *
 56 inspection certificate secured with reasonable promptness after
 57 the receipt of such shipment showing that the kind and quality
 58 of produce, as defined in section 27.069, is other than that
 59 purchased or ordered by ~~him~~ the person; or *
 60 (4) Fail to account for produce or to make settlement
 61 therefor within the time herein limited; or who shall violate or
 62 fail to comply with the terms or conditions of any contract
 63 entered into by ~~him~~ the person for the purchase or sale of *
 64 produce; or
 65 (5) Purchase for ~~his~~ the person's own account any produce *
 66 received on consignment, either directly or indirectly, without
 67 the consent of the consignor; or
 68 (6) Issue any false or misleading market quotations, or who
 69 shall cancel any quotations during the period advertised by ~~him~~ *
 70 the person; or *
 71 (7) Increase the sales charges on produce shipped to ~~him~~ *
 72 the person by means of "dummy" or fictitious sales; or *
 73 (8) Receive decorative forest products and the products of

1 farms and waters from foreign states or countries for sale or
 2 re-sale, either within or without the state, and give the
 3 purchaser the impression, through any method of advertising or
 4 description, that the produce is of Minnesota origin; or

5 (9) Whoever shall violate any provisions of sections 27.01
 6 to 27.15 and 27.19, or any rule or regulation made or published
 7 thereunder by the commissioner, shall be guilty of a misdemeanor
 8 and ~~his~~ the person's license may be forthwith suspended,
 9 revoked, or canceled by the commissioner, upon ten days notice
 10 and opportunity to be heard; but, upon conviction of any such
 11 offense, or upon conviction in any federal court for violation
 12 of the federal statutes relative to the fraudulent use of the
 13 mails, or conviction in any court of other criminal acts under
 14 any federal food or drug statute, or any statute of this state
 15 administered by the commissioner of agriculture, pertaining to
 16 the conduct of ~~his~~ the person's business, the commissioner may
 17 forthwith revoke and cancel the license of the person so
 18 convicted. Each day a person violates any provisions of
 19 sections 27.01 to 27.15 and 27.19, or any rule or regulation
 20 published thereunder by the commissioner, shall constitute a
 21 separate offense.

027*#20S

22 27.20 ENFORCEMENT.

23 The commissioner shall be charged with the enforcement of
 24 the provisions of sections 27.01 to 27.15 and 27.19 and of the
 25 rules and regulations made and published thereunder. Upon
 26 complaint made it shall be the duty of the county attorney to
 27 prosecute all cases arising in ~~his~~ the attorney's county for
 28 violation of sections 27.01 to 27.15 and 27.19, or of the rules
 29 or regulations made and published thereunder. The commissioner
 30 and ~~his~~ duly authorized agents and inspectors appointed by the
 31 commissioner for the purpose of enforcing the provisions of
 32 sections 27.01 to 27.15 and 27.19 shall have the power of police
 33 officers in this enforcement.

028*#04S

34 28.04 RECORDS; REPORTS.

35 Every person, firm or corporation operating a cold storage
 36 warehouse under sections 28.01 to 28.15 shall keep accurate
 37 records of the articles of food received in, and of the articles
 38 of food withdrawn from, ~~his~~ the cold storage warehouse and the
 39 commissioner shall have free access to such records at any
 40 time. Said person, firm or corporation shall submit a monthly
 41 report to the commissioner setting forth its itemized
 42 particulars and the quantity and kinds of articles of food
 43 in ~~his~~ the cold storage warehouse. These monthly reports shall
 44 be filed pursuant to the rules and regulations of the
 45 commissioner and a summary only of these reports if prepared by
 46 the commissioner be open to public inspection.

028*#05S

47 28.05 INSPECTION.

48 The commissioner shall inspect and supervise all cold
 49 storage warehouses and make such inspection of articles of food
 50 therein as ~~he~~ the commissioner may deem necessary to secure the
 51 proper enforcement of this chapter, and ~~he~~ the commissioner
 52 shall have access to all cold storage warehouses, together with
 53 all related offices, toilet, wash and locker rooms, egg-candling
 54 rooms, power houses or rooms, loading and unloading platforms,
 55 passageways, approaches, and other spaces, the state of
 56 sanitation of which may affect the sanitary conditions of the
 57 cold storage foods, or which may require visitation or
 58 inspection for the enforcement of any of the provisions of this
 59 chapter, at all reasonable times. The commissioner may appoint
 60 such persons as ~~he~~ the commissioner deems qualified to make any
 61 inspection under this chapter.

028*#07S

62 28.07 MARKING ARTICLES OF FOOD.

63 No person, firm, or corporation shall place, receive, or
 64 keep in any cold storage warehouse in this state, articles of
 65 food unless the same shall be plainly marked, stamped, or
 66 tagged, either upon the container in which they are packed, or
 67 upon the articles of food itself, with a lot number; and no
 68 person, firm, or corporation shall remove or allow to be removed
 69 such articles of food from any cold storage warehouse unless the
 70 same shall be plainly marked, stamped, or tagged, either on the
 71 container in which it is enclosed or upon the article of food
 72 itself, with the lot number, and such marks, stamps, and tags

1 shall be prima facie evidence by which to trace the receipt, and
 2 removal, and of the date thereof. It shall be unlawful to
 3 remove, deface, add to, alter, or change any mark, or marks
 4 placed upon the container, wrapper, or upon the articles of food
 5 itself, or upon the label or tag attached thereto, which marks
 6 are required under the provisions of this chapter, or in
 7 compliance with regulations adopted by the commissioner or under
 8 the provisions of the cold storage act of any other state,
 9 without permission or under the direction of the commissioner ~~or~~ *
 10 ~~under his direction.~~ *

11 If the articles of food are stored by the lessee of a room
 12 or rooms in a cold storage warehouse, ~~he~~ the lessee shall be *
 13 responsible for the goods placed by ~~him~~ the lessee or ~~his~~ the *
 14 lessee's employees in said leased space, and also for the *
 15 placing upon them of the required marks. Cold storage products
 16 may be removed from one container to another for the purpose of
 17 grading or repacking into more convenient commercial form,
 18 either during cold storage or at the time of withdrawal
 19 therefrom providing that the old container was properly marked;
 20 the lot number or numbers, shall be marked also upon the new
 21 container.

028*#08S

22 28.08 LENGTH OF STORAGE PERIOD.

23 No person, firm, or corporation shall keep or permit to
 24 remain in any cold storage warehouse any article of food which
 25 has been held in cold storage either within or without the state
 26 for a longer aggregate period than 12 months, except with the
 27 consent of the commissioner, as herein provided.

28 The commissioner upon written application made and
 29 presented during the 12 months period may extend the allowable
 30 storage period for any particular article of food, provided the
 31 same upon examination is found to be in proper condition for
 32 further cold storage. If the commissioner shall grant the
 33 application for such further cold storage period ~~he~~ the *
 34 commissioner shall enter an order specifying the period for *
 35 which such additional storage may be permitted. The
 36 commissioner shall make written report on each case in which
 37 such extension of storage is granted, including therein the
 38 information relating to the reason for the action taken,
 39 specifying the kinds and amounts of the articles of food covered
 40 by such extension order and the length of time for which the
 41 extension is granted, and this report and the order based
 42 thereon shall be kept on file in the office of the commissioner
 43 at all times open to the public.

44 In case the owner of any article of food in storage in a
 45 cold storage warehouse fails or refuses to remove the same
 46 before the expiration of the period of time within which the
 47 storage may lawfully be continued, then and in such case the
 48 commissioner may sell or order the same to be sold under a
 49 procedure specified by the commissioner.

028*#09S

50 28.09 SHORTENING STORAGE PERIOD.

51 When, in the opinion of the commissioner, the market
 52 condition of food articles, resulting from hoarding or
 53 deterioration is such as to require the release for immediate
 54 sale of food stuffs held in cold storage, so that there is
 55 immediate market therefor at fair and reasonable prices, the
 56 commissioner, by order, may shorten the 12 months storage period
 57 herein provided for as to any particular article of food and
 58 may, by ~~his~~ order, fix and establish a shorter storage period *
 59 for the article of food, and thereupon the article covered by
 60 the order shall, upon the expiration of the shortened period, be
 61 released from storage and removed from the storage warehouse.

028A#03S

62 28A.03 DEFINITIONS.

63 As used in sections 28A.01 to 28A.16 the terms defined in
 64 this section shall have the following meanings:

65 (a) "Commissioner" means the commissioner of agriculture of
 66 the state of Minnesota.

67 (b) "Person" means any individual, firm, corporation,
 68 company, association, cooperative or partnership and includes
 69 any trustee, receiver, assignee or other similar representative
 70 thereof.

71 (c) "Place of business" means every location where food or
 72 food items are manufactured, processed, sold, stored or handled,
 73 including buildings, locations, permanent or portable

1 structures, carnivals, circuses, fairs, or any other permanent
2 or temporary location.

3 Any vehicle or similar mobile unit from which food is sold
4 shall be considered a place of business for purposes of this
5 section if the food therefrom has been manufactured, packaged or
6 dispensed from bulk, or processed in any manner thereon.

7 (d) "Food" includes every article used for, entering into
8 the consumption of, or used or intended for use in the
9 preparation of food, drink, confectionery, or condiment for
10 man humans, whether simple, mixed or compound. *

11 (1) "Perishable food" is food which includes, but is not
12 limited to fresh fruits, fresh vegetables, and other products
13 which need protection from extremes of temperatures in order to
14 avoid decomposition by microbial growth or otherwise.

15 (2) "Readily perishable food" is food or a food ingredient
16 consisting in whole or in part of milk, milk products, eggs,
17 meat, fish, poultry or other food or food ingredient which is
18 capable of supporting rapid and progressive growth of infectious
19 or toxigenic micro-organisms.

20 (3) "Frozen food" is food which is processed and preserved
21 by freezing in accordance with good commercial practices and
22 which is intended to be sold in the frozen state.

23 (4) For the purposes of this definition, packaged food in
24 hermetically sealed containers processed by heat to prevent
25 spoilage; packaged pickles; jellies, jams and condiments in
26 sealed containers; bakery products such as bread, rolls, buns,
27 donuts, fruit-filled pies and pastries; dehydrated packaged
28 food; and dry or packaged food so low in moisture content as to
29 preclude development of micro-organisms are not "perishable
30 food," "readily perishable food," or "frozen food" within the
31 meaning of definitions (1), (2) and (3) herein when they are
32 stored and handled in accordance with good commercial practices.

33 (e) "Sell and sale" includes the keeping, offering, or
34 exposing for sale, use, transporting, transferring, negotiating,
35 soliciting, or exchange of food, the having in possession with
36 intent to sell, use, transport, negotiate, solicit, or exchange
37 the same and the storing, or carrying thereof in aid of traffic
38 therein whether done or permitted in person or through others.

39 (f) "Principal mode of business" means that type of
40 business described under either (a), (b), (c) or (d) in section
41 28A.05 within which category the greatest amount of the
42 applicant's food business lies.

43 (g) "Custom processor" means a person who slaughters
44 animals or processes noninspected meat for the owner of the
45 animals, and returns the meat products derived from the
46 slaughter or processing to the owner. "Custom processor" does
47 not include a person who slaughters animals or poultry or
48 processes meat for the owner of the animals or poultry on the
49 farm or premises of the owner of the animals, meat, or poultry.
50 For the purpose of this clause, "animals" or "meat" do not
51 include poultry or game animals or meat derived therefrom.

028A#05S

52 28A.05 CLASSIFICATION.

53 All persons required to have a license under section 28A.04
54 shall be classified into one of the following classes of food
55 handlers, according to their principal mode of business.

56 (a) Retail food handlers are persons who sell or process
57 and sell food directly to the ultimate consumer or who custom
58 process meat or poultry. The term includes a person who sells
59 food directly to the ultimate consumer through the use of coin
60 actuated vending machines, unless excluded by section 28A.15,
61 subdivision 6.

62 (b) Wholesale food handlers are persons who sell to others
63 for resale. A person who handles food in job lots (jobbers) is
64 included in this classification.

65 (c) Wholesale food processors or manufacturers are persons
66 who process or manufacture raw materials and other food
67 ingredients into food items, or who reprocess food items, or who
68 package food for sale to others for resale, or who commercially
69 slaughter animals or poultry. Included herein are persons who
70 can, extract, ferment, distill, pickle, bake, freeze, dry,
71 smoke, grind, mix, stuff, pack, bottle, recondition, or
72 otherwise treat or preserve food for sale to others for resale,
73 cold storage warehousemen warehouse operators as defined in *
74 section 28.01, subdivision 3, salvage food processors as defined
75 in section 31.495, subdivision 1, dairy plants as defined in

1 section 32.01, subdivision 6, nonresident manufacturers of
 2 frozen foods as described in section 32.59, and nonresident
 3 manufacturers or distributors of nonalcoholic beverages as
 4 described in section 34.05.

5 (d) A food broker is a person who buys and sells food and
 6 who negotiates between a buyer and a seller of food, but who at
 7 no time has custody of the food being bought and sold.

028A#10S

8 28A.10 POSTING OF LICENSE; RULES AND REGULATIONS.

9 All such licenses shall be issued for a period of one year
 10 and shall be posted or displayed in a conspicuous place at the
 11 place of business so licensed. Except as provided in sections
 12 29.22, subdivision 4 and 31.39, all such license fees and
 13 penalties collected by the commissioner shall be deposited into
 14 the state treasury and credited to the general fund. The
 15 commissioner may adopt such rules and regulations in conformity
 16 with law as ~~he~~ the commissioner deems necessary to effectively *
 17 and efficiently carry out the provisions of sections 28A.01 to
 18 28A.16.

028A#13S

19 28A.13 POWER TO SUSPEND OR REVOKE LICENSES.

20 Whenever the commissioner has reason to believe that any
 21 provision of law relating to the manufacturing, processing,
 22 distribution, handling and sale of food, or regulation issued by
 23 the commissioner thereunder, has been violated, the commissioner
 24 may suspend or revoke a license or permit granted under section
 25 28A.04, or may limit the permission of the license or permit to
 26 only those aspects of the licensee's or permittee's business
 27 which are in conformity with the law and regulations. Any
 28 person may be restrained by injunction from engaging in any
 29 business operation or category thereof for which that person is
 30 not validly licensed or for which a permit has not been issued.
 31 This suspension or revocation shall be made only after notice to
 32 the licensee or permittee and an opportunity to be heard with
 33 reference to the grounds for suspension or revocation, and this
 34 action by the commissioner shall in no way exempt such licensee
 35 or permittee from the penalties otherwise imposed in this
 36 chapter. The commissioner shall serve upon the licensee or
 37 permittee by registered letter containing a copy thereof, an
 38 order to show cause why the license or permit should not be
 39 permanently revoked, stating the grounds thereof, and the time
 40 and place of hearing, which time shall not be less than ten days
 41 after the date of mailing of the order. At the appointed time
 42 and place, and at such times as the matter may be adjourned to,
 43 the commissioner, or ~~his~~ an appointed hearing officer, shall *
 44 hear all proper evidence relating to the cause of the proposed *
 45 revocation and, within a reasonable time thereafter, ~~he~~ shall *
 46 make and file ~~his~~ a decision of the matter and forthwith mail to *
 47 the licensee or permittee a copy thereof.

028A#15S

48 28A.15 EXCLUSIONS.

49 No change for subd 1

50 Subd. 2. Persons selling the products of the farm or *
 51 garden occupied and cultivated by ~~him~~ them, or to persons not *
 52 regularly engaged in the business of manufacturing and selling *
 53 food and who prepare food only on order of and for sale directly *
 54 to the ultimate consumer, or to educational, charitable or *
 55 religious organizations not regularly engaged in the business of *
 56 manufacturing, processing, or selling food at their established *
 57 educational, charitable or religious institutions.

58 Subd. 3. A farmer slaughtering ~~his-own~~ personal animals, *
 59 rabbits or poultry, on ~~his~~ the farmer's own farm for: (a) ~~his~~ *
 60 own personal use; or (b) the use of ~~his~~ the farmer's immediate *
 61 family.

62 Subd. 4. Any persons required to be licensed under the *
 63 provisions of sections 19.18 to 19.40 or trucks operating under *
 64 a certificate or permit issued pursuant to chapter 221 or *
 65 ~~warehousemen~~ warehouse operators, other than cold storage *
 66 ~~warehousemen~~ warehouse operators, offering storage or warehouse *
 67 facilities for compensation.

68 No change for subd 5 to 8

029*#021S

69 29.021 POWERS AND DUTIES OF COMMISSIONER OF AGRICULTURE.

70 The commissioner of agriculture shall have the power to
 71 employ such persons as are necessary to carry out the provisions
 72 of sections 29.021 to 29.091, and to fix all salaries and

1 provide for expenses generally not inconsistent with law. The
 2 commissioner is authorized and directed to formulate and adopt
 3 plans whereby owners of poultry flocks and poultry breeding
 4 flocks may, upon application, have their flocks culled,
 5 inspected, and supervised, to the end that these flocks may be
 6 accredited and certified for standard type and egg quality and
 7 production; and likewise, poultry hatcheries and dealers may be
 8 accredited and certified as hatching and selling products
 9 produced only from accredited and certified flocks. The
 10 commissioner is authorized to make, publish, and enforce rules
 11 and regulations to these ends, not inconsistent with law, and to
 12 define, prescribe, and authorize the use of uniform terminology
 13 to apply to varying degrees of accreditation and certification.
 14 The commissioner is authorized to adopt the "standard breeding
 15 plan" of accreditation and certification sponsored by the United
 16 States department of agriculture, or any other plan, and to
 17 cooperate with that department in matters of poultry
 18 improvement, egg quality and production. The commissioner is
 19 authorized to prescribe and collect fees for inspection and
 20 supervision, and to prescribe and furnish labels, leg bands, and
 21 certificates of accreditation and certification and such other
 22 supplies as may be necessary, and to prescribe and collect fees
 23 for the same. Fees shall be fixed by the commissioner at the
 24 beginning of each fiscal year and reviewed and adjusted, if
 25 necessary, at the end of each six month period in order that the
 26 fees prescribed shall, insofar as practicable, cover the cost of
 27 all services rendered. The commissioner is authorized to do
 28 such other things as he the commissioner may deem needful and *
 29 expedient to improve poultry breeding and practices and egg
 30 quality and production and to give effect to sections 29.021 to
 31 29.091, in connection with those parties who wish to comply with
 32 the programs promulgated in accordance with this section.

029*#031S

33 29.031 ADVERTISING.

34 Owners of accredited and certified poultry breeding flocks
 35 and hatcheries shall have the right to use the terminology
 36 prescribed by the commissioner of agriculture in their
 37 literature and advertising and on shipping labels. The
 38 commissioner may, by regulation, require the submission of all
 39 or any part of such literature and advertising matter to him the *
 40 commissioner for review and approval before publication or *
 41 issuance.

029*#081S

42 29.081 MAY CANCEL CERTIFICATES.

43 The commissioner of agriculture may cancel any certificate
 44 of accreditation or certification issued under the
 45 commissioner's authority, and likewise the secretary and
 46 executive officer of the board of animal health may cancel any
 47 certificate of testing, approval, or accreditation issued under
 48 the authority of ~~his~~ the board, for violation of sections 29.021 *
 49 to 29.091, or any rule adopted thereunder; and any person, firm,
 50 association, partnership, or corporation who shall violate any
 51 provision of sections 29.021 to 29.091, or any rule adopted
 52 thereunder, shall be guilty of a misdemeanor.

029*#201S

53 29.201 BUYERS OF DOMESTIC FOWLS; DEALERS' REGISTERS.

54 Every person who engages in the business of buying
 55 chickens, turkeys, or other domestic fowl of any kind shall keep
 56 and maintain a complete record of all such transactions in a
 57 ledger or other suitable book of account permanently bound,
 58 which for the purposes of sections 29.201 to 29.205 shall be
 59 known as such dealer's register. In such register he the buyer *
 60 shall enter a complete record of each purchase of chickens, *
 61 turkeys, or other domestic fowl, to which he the buyer was a
 62 party; and shall show the name and address of the person from
 63 whom the same was bought, and, when the transaction is with a
 64 person other than a regular customer of the buyer from whom the
 65 buyer has made similar purchases within one year from the date
 66 of such transaction, the means by which the same were
 67 transported to the place of purchase, the type of conveyance,
 68 and if by truck or other motor vehicle the license number of
 69 such truck or motor vehicle, the date of such purchase, and the
 70 number, kind, species and a general description of all such
 71 chickens, turkeys, or other domestic fowl involved in such
 72 transaction.

029*#203S

1 29.203 REGISTER PRIMA FACIE EVIDENCE.
 2 Every register made or kept in compliance with the
 3 provisions of sections 29.201 to 29.205 shall be prima facie
 4 evidence of the truth and accuracy of the facts therein stated
 5 or appearing as required thereby. Every such register shall at
 6 all times be open to inspection and examination by any peace
 7 officer or any public official charged with the duty of law
 8 enforcement, as often as and when required ~~by him~~. *

029*#21S

9 29.21 DEFINITIONS.
 10 Subdivision 1. The word "person" when used in sections
 11 29.21 to 29.28 means any individual, firm, partnership,
 12 corporation, company, association, joint stock association, and
 13 shall include any officer, employee, agent, trustee, receiver,
 14 assignee, or other similar representative thereof, provided that
 15 neither a producer of eggs when selling shell eggs produced on a
 16 farm occupied and cultivated by ~~him~~ the producer, nor a hatchery
 17 which produces or purchases shell eggs solely for hatching shall
 18 be deemed a "person." *

19 No change for subd 2 to 3

029*#22S

20 29.22 DEALERS ANNUAL INSPECTION FEE; DISPOSITION OF FEES.
 21 Subd. 2. In addition to the annual dealer's license,
 22 required under section 28A.04, there shall be an annual
 23 inspection fee applicable to every person who engages in the
 24 business of buying for resale, selling, dealing, or trading in
 25 eggs except a retail grocer who sells eggs previously candled
 26 and graded, such fee to be computed on the basis of the number
 27 of cases of shell eggs handled at each place of business during
 28 the month of April of each year, providing that if said dealer
 29 or processor is not operating during the month of April, the
 30 department shall estimate the volume of shell eggs handled, and
 31 may revise the fee after three months of operation. In the
 32 event that a given lot of eggs is moved from one location of
 33 business to a second location of business and provided that the
 34 dealers' license is held by the same person at both locations,
 35 the given lot of eggs shall be counted in determining the volume
 36 of business on which the inspection fee is based at the first
 37 location of business but shall not enter into the computation of
 38 volume of business for the second location. For the purpose of
 39 determining fees, a case shall be one of 30 dozen capacity. The
 40 schedule of fees shall be as follows:

VOLUME (30 DOZEN CASES) IN APRIL		MINIMUM - MAXIMUM FEE
1 -	100	\$ 5 - \$ 10
101 -	1000	\$ 10 - \$ 25
1001 -	2000	\$ 25 - \$ 50
2001 -	4000	\$ 50 - \$ 75
4001 -	6000	\$ 75 - \$100
6001 -	8000	\$100 - \$125
8001 -	10,000	\$125 - \$150
OVER	10,000	\$150 - \$200

51 The commissioner shall fix the annual inspection fee within
 52 the limits set herein and may annually adjust the fee, as ~~he~~ the
 53 commissioner deems necessary, within those limits, to more
 54 nearly meet the costs of inspection required to enforce the
 55 provisions of sections 29.21 to 29.28. Each person subject to
 56 such inspection fee shall, under the direction of the
 57 commissioner, keep such records as may be necessary to
 58 accurately determine the volume of shell eggs on which the
 59 inspection fee is due and shall prepare annually a written
 60 report of such volume upon forms supplied by the commissioner.
 61 This report, together with the required inspection fee, shall be
 62 filed with the department on or before the last day of May of
 63 each year. *

64 No change for subd 3 to 5

029*#235S

65 29.235 SALE OF SHELL EGGS.
 66 Checks and dirties as defined by the commissioner, shall
 67 not be sold for human consumption as shell eggs, but may be sold
 68 as such to be processed for human consumption by a processor
 69 licensed by the commissioner to break eggs for resale, except
 70 that a producer may sell such shell eggs of ~~his~~ the producer's
 71 own production on ~~his~~ the producer's premises directly to a
 72 household consumer for the consumer's own personal use. *

029*#24S

1 29.24 ADULTERATED OR INEDIBLE EGGS, SALE FORBIDDEN.

2 No person shall buy, sell, offer or expose for sale, or
3 ~~have-in-his-possession~~ possess for sale, eggs for human *
4 consumption that are inedible or adulterated. Eggs that are
5 filthy, putrid, decomposed, or otherwise unfit for food in whole
6 or in part, shall be deemed to be adulterated. Eggs which
7 contain black rots, white rots, mixed rots (addled eggs), sour
8 eggs with green whites, eggs with stuck yolks, moldy eggs, musty
9 eggs, eggs showing blood rings, eggs containing embryo chicks
10 (at or beyond the blood ring stage), or any other eggs that are
11 filthy, decomposed, or putrid shall be deemed to be inedible.

029*#28S

12 29.28 VIOLATIONS, PENALTIES.

13 Any person found guilty of any violation of sections 29.21
14 to 29.28 shall, upon conviction for the first offense, be guilty
15 of a misdemeanor and shall be fined \$25; for the second offense,
16 ~~he~~ the person shall be guilty of a misdemeanor and shall be *
17 fined \$100; and for the third and subsequent offenses ~~he~~ the *
18 person shall be guilty of a gross misdemeanor and shall be fined *
19 \$200. In addition to such fines, the court for second offense
20 shall suspend ~~his~~ the person's license for 30 days; and for the *
21 third and any subsequent offense, such person's license shall be
22 revoked for a period of one year.

030*#151S

23 30.151 FREEDOM OF CONTRACT NOT IMPAIRED.

24 Nothing in sections 30.10 to 30.15 shall be construed in
25 any manner to impair the freedom of contract between individuals
26 relative to the sale and disposal of potatoes between the owners
27 thereof and the persons purchasing the same. When any seller or
28 buyer of potatoes shall, by a contract in writing, agree to sell
29 and dispose of to any person potatoes in any lots or quantities
30 of the grades and varieties specified herein, or of any other
31 grade and variety or quality concerning which the persons desire
32 to contract, ~~he~~ the seller or buyer shall have the legal right *
33 to do so and shall be bound by the terms of such contract so
34 entered into, and in case any seller attempts to tender in
35 fulfillment of any such contract potatoes of a lower standard or
36 quality than those specified in such a contract the purchaser of
37 the same shall have the legal right to either reject or accept
38 them upon a tolerance basis commensurate in value between the
39 market price of the grade and quality contracted for and the
40 grade and quality of the potatoes tendered in delivery thereon.

030*#16S

41 30.16 POTATOES MAY BE INSPECTED.

42 All potatoes shipped by any person may be inspected by an
43 authorized federal-state inspector to determine the grade,
44 quality, and condition of such shipment. All fees shall be
45 assessed against the inspection certificate applicant and shall
46 be collected by the commissioner from the firm or individual
47 against whom the fee is assessed. An application for inspection
48 service shall be denied if the applicant has not paid all fees
49 for prior inspection service assessed against ~~him~~ the applicant, *
50 the initial billings for which were deposited in the mail *
51 addressed to ~~him~~ the applicant more than 30 days before the
52 application in question.

030*#51S

53 30.51 LICENSE REVOKED.

54 The commissioner may revoke any license issued under ~~his~~ *
55 the commissioner's authority upon proof of violation of the *
56 provisions of section 30.50 and any rules and regulations made
57 in pursuance thereof.

030*#59S

58 30.59 PENALTY.

59 Any person violating any of the provisions of sections
60 30.55 to 30.58 shall be guilty of a misdemeanor. In addition,
61 any apples found to be offered or exposed or packed for sale in
62 violation of these sections may be ordered temporarily withdrawn
63 from sale by the commissioner pending either (1) informal
64 adjustment according to law between the commissioner, or ~~his~~ the *
65 commissioner's duly authorized representative, and the person in *
66 charge of the apples in question, or (2) by the filing of a
67 formal complaint, without undue delay, with the attorney general
68 or prosecuting attorney.

031*#01S

69 31.01 DEFINITIONS.

70 No change for subd 1 to 2

1 Subd. 3. FOOD. "Food" means articles used for food
 2 or drink for ~~man~~ humans or other animals, chewing gum, and *
 3 articles used for components of any such article.

4 No change for subd 4 to 32

031*#02S

5 31.02 PROHIBITED ACTS.

6 The following acts set out in this section and the causing
 7 of such acts within this state are prohibited.

8 (a) The manufacture, sale, or delivery, holding or offering
 9 for sale of any food that is adulterated or misbranded;

10 (b) The adulteration or misbranding of any food;

11 (c) The receipt in commerce of any food that is adulterated
 12 or misbranded, and the delivery or proffered delivery thereof
 13 for pay or otherwise;

14 (d) The distribution in commerce of a consumer commodity,
 15 as defined in section 31.01, subdivision 20, if such commodity
 16 is contained in a package, or if there is affixed to that
 17 commodity a label, which does not conform to the provisions of
 18 law and of regulations promulgated pursuant to section 31.101;
 19 provided, however, that this prohibition shall not apply to
 20 persons engaged in business as wholesale or retail distributors
 21 of consumer commodities except to the extent that such persons
 22 are engaged in the packaging or labeling of such commodities, or
 23 prescribe or specify by any means the manner in which such
 24 commodities are packaged or labeled;

25 (e) The sale, delivery for sale, holding for sale, or
 26 offering for sale of any article in violation of section 31.131;

27 (f) The dissemination of any false advertisement;

28 (g) The refusal to permit entry or inspection, or to permit
 29 the taking of a sample, or to permit access to or copying of any
 30 record as authorized by section 31.04;

31 (h) The giving of a guaranty or undertaking which guaranty
 32 or undertaking is false, except by a person who relied on a
 33 guaranty or undertaking to the same effect signed by, and
 34 containing the name and address of the person residing in the
 35 state of Minnesota from whom ~~he~~ the relying person received in *
 36 good faith the food;

37 (i) The removal or disposal of a detained or embargoed
 38 article in violation of section 31.05;

39 (j) The alteration, mutilation, destruction, obliteration,
 40 or removal of the whole or any part of the labeling of, or the
 41 doing of any other act with respect to a food if such act is
 42 done while such article is held for sale and results in such
 43 article being adulterated or misbranded;

44 (k) Forging, counterfeiting, simulating, or falsely
 45 representing, or without proper authority using any mark, stamp,
 46 tag, label, or other identification device authorized or
 47 required by regulations promulgated under the provisions of
 48 section 31.101 or of the federal act;

49 (l) The using by any person to ~~his~~ the person's own
 50 advantage, or revealing, other than to the commissioner or ~~his~~
 51 the commissioner's authorized representative or to the courts *
 52 when relevant in any judicial proceeding of any information *
 53 acquired under authority of the Minnesota food law concerning *
 54 any method or process which as a trade secret is entitled to
 55 protection; and

56 (m) The identification or sale as food for human
 57 consumption of any product which has previously been labeled or
 58 otherwise identified as animal food or seed which has received a
 59 seed treatment.

031*#032S

60 31.032 PENALTIES AND GUARANTY.

61 No change for subd 1

62 Subd. 2. No person shall be subject to the penalties of
 63 subdivision 1 for having violated section 31.02, clauses (b) or
 64 (d), if ~~he~~ the person establishes a guaranty or undertaking *
 65 signed by, and containing the name and address of, the person *
 66 residing in the state of Minnesota from whom ~~he~~ the person *
 67 received in good faith the article, to the effect that such
 68 article is not adulterated or misbranded within the meaning of
 69 the Minnesota food law.

70 No change for subd 3

031*#04S

71 31.04 INSPECTION AUTHORITY.

72 Subdivision 1. For purposes of enforcement of the
 73 Minnesota food law, the commissioner, or any of ~~his~~ the *

1 commissioner's authorized agents, is authorized upon presenting
2 appropriate credentials to the owner, operator or agent in
3 charge:

*

4 (a) To enter at reasonable times any factory, warehouse, or
5 establishment in which food is manufactured, processed, packed
6 or held for introduction into commerce or after such
7 introduction or to enter any vehicle being used to transport or
8 hold such food in commerce;

9 (b) To inspect at reasonable times and within reasonable
10 limits and in a reasonable manner such factory, warehouse,
11 establishment or vehicle and all pertinent equipment, finished
12 and unfinished materials, containers and labeling therein; and
13 to obtain samples necessary to the enforcement of the Minnesota
14 food law; and;

15 (c) To have access to and to copy all records of carriers
16 in commerce showing the movement in commerce of any food or the
17 holding thereof during or after such movement, and the quantity,
18 shipper and consignee thereof; provided, that evidence obtained
19 under this clause shall not be used in a criminal prosecution of
20 the person from whom obtained; and provided, further, that
21 carriers shall not be subject to the other provisions of the
22 Minnesota food law by reason of their receipt, carriage,
23 holding, or delivery of food in the usual course of business as
24 carriers.

25 Subd. 2. Upon completion of any such inspection of a
26 factory, warehouse, or other establishment and prior to leaving
27 the premises, the authorized agent making the inspection shall
28 give to the owner, operator or agent in charge a report in
29 writing setting forth any conditions or practices observed by
30 ~~him~~ which in ~~his~~ the agent's judgment indicate that any food in
31 such establishment:

*
*

32 (a) Consists in whole or in part of any filthy, putrid, or
33 decomposed substance, or

34 (b) Has been prepared, packed or held under insanitary
35 conditions whereby it may have become contaminated with filth or
36 whereby it may have been rendered injurious to health.

37 A copy of such report shall be sent promptly to the
38 commissioner.

39 Subd. 3. ~~If the~~ An authorized agent making any such
40 inspection of a factory, warehouse or other establishment who
41 has obtained any sample in the course of the inspection, upon
42 completion of the inspection and prior to leaving the premises,
43 ~~he~~ shall give to the owner, operator, or agent in charge a
44 receipt describing the samples obtained.

*
*
*

45 No change for subd 4

031*#05S

46 31.05 EMBARGOES AND CONDEMNATIONS.

47 Subdivision 1. ~~Whenever~~ A duly authorized agent of the
48 commissioner who finds or has probable cause to believe that any
49 food or consumer commodity is adulterated or so misbranded as to
50 be dangerous or fraudulent, or is in violation of section 31.131
51 ~~he~~ shall affix to such article a tag or other appropriate
52 marking giving notice that such article is, or is suspected of
53 being, adulterated or misbranded and has been detained or
54 embargoed, and warning all persons not to remove or dispose of
55 such article by sale or otherwise until permission for removal
56 or disposal is given by such agent or the court. It shall be
57 unlawful for any person to remove or dispose of such detained or
58 embargoed article by sale or otherwise without such permission.

*
*
*

59 Subd. 2. When an article detained or embargoed under
60 subdivision 1 has been found by such agent to be adulterated, or
61 misbranded, the agent shall petition the district court in the
62 county in which the article is detained or embargoed for an
63 order and decree for the condemnation of such article. ~~When~~ Any
64 such agent who has found that an article so detained or
65 embargoed is not adulterated or misbranded, ~~he~~ shall remove the
66 tag or other marking.

*
*
*

67 Subd. 3. If the court finds that a detained or embargoed
68 article is adulterated or misbranded, such article shall, after
69 entry of the decree, be destroyed at the expense of the claimant
70 thereof, under the supervision of such agent, and all court
71 costs and fees, and storage and other proper expenses, shall be
72 taxed against the claimant of such article or ~~his~~ the claimant's
73 agent; provided, that when the adulteration or misbranding can
74 be corrected by proper labeling or processing of the article,
75 the court, after entry of the decree and after such costs, fees,

*

1 and expenses have been paid and a good and sufficient bond,
 2 conditioned that such article shall be so labeled or processed,
 3 has been executed, may by order direct that such article be
 4 delivered to claimant thereof for such labeling or processing
 5 under the supervision of an agent of the commissioner. The
 6 expense of such supervision shall be paid by claimant. The
 7 article shall be returned to the claimant and the bond shall be
 8 discharged on the representation to the court by the
 9 commissioner that the article is no longer in violation and that
 10 the expenses of such supervision have been paid.

11 Subd. 4. Whenever the commissioner or any of his the *
 12 commissioner's authorized agents shall find in any room, *
 13 building, vehicle of transportation or other structure, any
 14 meat, seafood, poultry, vegetable, fruit or other perishable
 15 articles of food which are unsound, or contain any filthy,
 16 decomposed or putrid substance, or that may be poisonous or
 17 deleterious to health or otherwise unsafe, the same being hereby
 18 declared to be a nuisance, the commissioner, or his the *
 19 commissioner's authorized agent, shall forthwith condemn or *
 20 destroy the same, or in any other manner render the same
 21 unsalable as human food, and no one shall have any cause of
 22 action against the commissioner or his the commissioner's *
 23 authorized agent on account of such action. *

031*#08S

24 31.08 ADDITIONAL POWERS AND AUTHORITY; FOOD IN TRANSIT.

25 The commissioner, ~~by himself,~~ or any of his the *
 26 commissioner's assistants, inspectors, agents, or employees, in *
 27 addition to the authority and powers otherwise conferred by law,
 28 is authorized and empowered to have and to take access to any
 29 and all trucks, aeroplanes, airships, vehicles, and railroad
 30 cars of every sort and nature transported or being within this
 31 state, all railroad stations, storage houses, warehouses,
 32 express offices, or other places wherein at any time there may
 33 be food transported or shipped into from without this state,
 34 whether or not such food has been manufactured, sold, or given
 35 away without the state; provided, that such food was
 36 manufactured, sold, or given away with the intent that it be
 37 delivered, had, or used within this state; and the commissioner
 38 shall have the same power and authority to open any package,
 39 car, or vessel containing food so transported or shipped into
 40 from without the state, which contains, or which ~~he~~ the *
 41 commissioner has reason to believe contains, any such food; to *
 42 inspect the contents thereof and to take samples for analysis
 43 and examination, all after the same manner and with the same
 44 procedure as obtains by law in reference to similar goods
 45 manufactured, sold, transported, offered for sale, use, or
 46 transportation, or had in possession with intent to sell, use,
 47 or transport within this state. If it shall appear that any
 48 such food is adulterated, misbranded, insufficiently labeled,
 49 unwholesome, poisonous, or deleterious, the commissioner shall
 50 have the same rights and remedies and shall enforce the same in
 51 the same manner as in the case of food manufactured, sold,
 52 transported, offered for sale, use, or transportation, or had in
 53 possession with intent to sell, use, or transport within this
 54 state. On receiving notice from the commissioner, or any *
 55 authorized agent or employee, ~~that he desires~~ of a desire to *
 56 inspect the contents of any such package, can, or vessel, it *
 57 shall be the duty of any common carrier, storage ~~man~~ agent, *
 58 warehouseman warehouse operator, or their employees, or other *
 59 person having the same in his possession or under his control, *
 60 to withhold the same from delivery within this state for such
 61 period of time as may be reasonably necessary for the
 62 inspection, examination, and analysis thereof. It is further
 63 made the duty of all such persons to render to the commissioner
 64 and his the commissioner's agents and employees all the *
 65 assistance in their power when so required to effectuate the
 66 purposes of laws now or hereafter enacted relating to food. In
 67 case such inspection, examination, or analysis of any such food
 68 shall disclose it to be adulterated, misbranded, insufficiently
 69 labeled, unwholesome, poisonous, or deleterious, such persons
 70 shall, on demand, disclose to the commissioner the names and
 71 addresses of the consignor and consignee of the package, can, or
 72 vessel containing the same, and the commissioner, before
 73 proceeding further, shall notify such consignor and consignee,
 74 in writing, at their respective addresses, of the result of the
 75 inspection, examination, or analysis as so disclosed. Any

1 common carrier, ~~warehouseman~~ warehouse operator, storage man *
 2 agent, employee, or other person having such food in his *
 3 possession or under his control, failing or refusing to comply *
 4 with any of the provisions of this section shall be guilty of a
 5 misdemeanor.

031*#09S

6 31.09 COMMISSIONER TO RENDER CERTAIN FOOD UNSALABLE.
 7 The commissioner~~7-his~~ and the commissioner's assistants, *
 8 inspectors, agents, and employees, shall also have power and *
 9 authority, in their discretion, to render unsalable for use as
 10 food, any food the sale or use of which is now or hereafter
 11 prohibited by law, or which is manufactured, sold, used,
 12 transported, offered for sale or transportation, or had in
 13 possession with intent to use, sell, or transport in violation
 14 of any provision thereof, or in violation of any provision of
 15 any rule, regulation, definition, standard, or ruling made,
 16 adopted, and published thereunder, and the commissioner and his *
 17 ~~several~~ assistants, inspectors, agents, and employees shall be *
 18 exempt from liability for any such action. The test of the
 19 condition of any such food shall be its condition at the time of
 20 discovery. Any reasonable and necessary means may be adopted
 21 for rendering such food unsalable for use as food.

031*#103S

22 31.103 FAIR PACKAGING AND LABELING PROVISIONS.
 23 Subdivision 1. All labels of consumer commodities shall
 24 conform with the requirements for the declaration of net
 25 quantity of contents of section 4 of the fair packaging and
 26 labeling act (15 U.S.C. 1451 et seq.) and federal regulations in
 27 effect on April 1, 1975 promulgated pursuant thereto, except to *
 28 the extent that the commissioner shall exercise his authority to
 29 amend such regulations in accordance with the administrative
 30 procedure act. Consumer commodities exempted from the
 31 requirements of section 4 of the fair packaging and labeling act
 32 shall also be exempt from this subdivision.
 33 No change for subd 2 to 4

031*#104S

34 31.104 FOOD LABELING EXEMPTION REGULATIONS.
 35 The commissioner shall promulgate regulations exempting
 36 from any labeling requirement food which is, in accordance with
 37 the practice of the trade, to be processed, labeled or repacked
 38 in substantial quantities at establishments other than those
 39 where originally processed or packed, on condition that such
 40 food is not adulterated or misbranded upon removal from such
 41 processing, labeling or repacking establishment.
 42 Federal regulations in effect on April 1, 1975 adopted
 43 under authority of the federal act relating to such exemptions
 44 are effective in this state unless the commissioner shall
 45 exercise his authority to amend such regulations ~~and he~~. The *
 46 commissioner also may promulgate amendments to existing *
 47 regulations concerning exemptions in accordance with the
 48 administrative procedure act.

031*#131S

49 31.131 EMERGENCY PERMIT CONTROL.
 50 Subdivision 1. Whenever the commissioner finds after
 51 investigation that the distribution in the state of Minnesota of
 52 any class of food may, by reason of contamination with
 53 microorganisms during manufacture, processing, or packing
 54 thereof in any locality, be injurious to health, and that such
 55 injurious nature cannot be adequately determined after such
 56 articles have entered commerce, ~~he~~ the commissioner then, and in *
 57 such case only, shall promulgate regulations providing for the
 58 issuance, to manufacturers, processors, or packers of such class
 59 of food in such locality, of permits to which shall be attached
 60 such conditions governing the manufacture, processing, or
 61 packaging, or packing of such class of food, for such temporary
 62 period of time as may be necessary to protect the public health;
 63 and after the effective date of such regulations, and during
 64 such temporary period, no person shall introduce or deliver for
 65 introduction into commerce any such food manufactured,
 66 processed, or packed by any such manufacturer, processor, or
 67 packer unless such manufacturer, processor, or packer holds a
 68 permit issued by the commissioner as provided by such
 69 regulations.

70 No change for subd 2 to 3

031*#132S

71 31.132 PUBLICITY.

1 No change for subd 1
 2 Subd. 2. The commissioner may also disseminate such
 3 substantiated information regarding food as ~~he~~ the commissioner *
 4 deems necessary in the interest of public health and the
 5 protection of the consumer against fraud. Nothing in this
 6 section shall be construed to prohibit the commissioner from
 7 collecting, reporting, and illustrating the results of the
 8 investigations of the commissioner.

031*#14S

9 31.14 DUTY TO PROSECUTE.
 10 It shall be the duty of each county attorney, or city
 11 attorney to whom the commissioner reports any violation of the
 12 Minnesota food law, to cause appropriate proceedings to be
 13 instituted in the proper courts without delay and to be
 14 prosecuted in the manner required by law. Before any violation
 15 of the Minnesota food law is reported to any such attorney for
 16 the institution of a criminal proceeding, the person against
 17 whom such proceeding is contemplated shall be given appropriate
 18 notice and an opportunity to present ~~his~~ views before the *
 19 commissioner or ~~his~~ the commissioner's designated agent, either *
 20 orally or in writing, in person, or by attorney, with regard to
 21 such contemplated proceeding.

031*#165S

22 31.165 REMOVAL OF INSANITARY CONDITIONS.
 23 If, in the opinion of the commissioner, ~~his assistants,~~ *
 24 ~~inspectors or agents, or either of them~~ or the commissioner's *
 25 assistant, inspector, or agent, after an investigation thereof, *
 26 any bakery, confectionery, creamery, dairy, dairy barn, milk
 27 depot, laboratory, hotel, restaurant, cafe, dining room, or
 28 eating house, fruit box, receptacle, fruit stand, or vehicle of
 29 any kind, packing or slaughter house, ice cream plant, or any
 30 place where any fruit or any food products are manufactured,
 31 packed, stored, deposited, collected, prepared, produced, served
 32 or sold for any purpose whatever, is operated in violation of
 33 section 31.161, the commissioner, ~~his assistants, inspectors, or~~ *
 34 agents assistant, inspector, or agent shall notify, in writing, *
 35 the proprietor, owner, or manager of such bakery, confectionery,
 36 creamery, dairy, dairy barn, milk depot, laboratory, hotel,
 37 restaurant, cafe, dining room or eating house, fruit box or
 38 receptacle, fruit stand, or vehicle of any kind, packing or
 39 slaughter house, ice cream plant, or any place where any fruit
 40 or any food products are manufactured, packed, stored,
 41 deposited, collected, prepared, produced, served, or sold for
 42 any purpose, to place the same in a clean and sanitary condition
 43 within a reasonable time to be stated in the notice, which time
 44 so stated shall in no case be less than two days, and failure to
 45 comply with such notice within the time so stated shall be
 46 deemed a violation of the provisions of sections 31.161 to
 47 31.171.

031*#171S

48 31.171 EMPLOYMENT OF DISEASED PERSON.
 49 It shall be unlawful for any person to work in or about any
 50 place where any fruit or any food products are manufactured,
 51 packed, stored, deposited, collected, prepared, produced or
 52 sold, whose condition is such that disease may be spread to ~~his~~ *
 53 associates direct, or through the medium of milk, cream, butter,
 54 other food or food products, likely to be eaten without being
 55 cooked after handling, whether such condition be due to a
 56 contagious, infectious, or venereal disease, in its active or
 57 convalescent stage, or to the presence of disease germs, whether
 58 accompanied by, or without, any symptoms of the disease itself.
 59 It shall be the duty of the commissioner, ~~his assistants,~~ *
 60 ~~inspectors, or agents~~ or the commissioner's assistant, *
 61 inspector, or agent, to report to the state commissioner of *
 62 health for investigation, any person suspected to be dangerous
 63 to the public health, as provided for in this section, and
 64 immediately to exclude such person from such employment pending
 65 investigation and during the period of infectiousness, if such
 66 person is certified by the state commissioner of health, or ~~his~~ *
 67 an authorized agent, to be dangerous to the public health. *

031*#175S

68 31.175 WATER, PLUMBING, AND SEWAGE.
 69 A person who is required by statutes administered by the
 70 department of agriculture, or by rules adopted pursuant to those
 71 statutes, to provide a suitable water supply, or plumbing or
 72 sewage disposal system, may not engage in the business of

1 manufacturing, processing, selling, handling, or storing food at
 2 wholesale or retail unless ~~his~~ the person's water supply is *
 3 satisfactory under plumbing codes adopted by the department of
 4 health and ~~his~~ the person's sewage disposal system satisfies the *
 5 rules of the pollution control agency.

031*#185S

6 31.185 FROZEN FOOD PROCESSING PLANTS.

7 Subdivision 1. DEFINITIONS. The term "food" as used
 8 herein includes every article used for, or entering into the
 9 consumption of, or used or intended for use in the preparation
 10 of food, drink, confectionery or condiment for ~~man~~ humans, *
 11 whether simple, mixed or compound.

12 "Frozen food processing plant" means an establishment in
 13 which food is processed and frozen for frozen storage.

14 "Sharp frozen" means freezing of food in a room in which
 15 the temperature is zero degrees Fahrenheit or below.

16 The term "department" as used herein means the department
 17 of agriculture.

18 "Person" means an individual, partnership, corporation or
 19 association.

20 "Processor" means any person who directly or indirectly,
 21 for compensation, cuts, wraps and freezes meat or meat products
 22 for frozen storage by the ultimate consumer.

23 No change for subd 2

24 Subd. 4. COMMISSIONER MAY WITHHOLD LICENSES. The
 25 commissioner may withhold a license from any applicant therefor
 26 under any provisions of this section whom ~~he~~ the commissioner *
 27 may deem unworthy and may revoke any license issued ~~by him~~ *
 28 any licensee who has violated the terms thereof, or who has
 29 failed to comply with any requirement of this section, or
 30 refused or failed to obey ~~his~~ the commissioner's lawful request *
 31 or direction, and every conviction of the licensee for an
 32 offense punishable under this section shall be a sufficient
 33 ground for such revocation.

34 Subd. 5. ENFORCEMENT. The commissioner, ~~his~~ and the *
 35 commissioner's inspectors, assistants and employees, shall *
 36 enforce the provisions of this section.

37 No change for subd 6 to 8

38 Subd. 9. NOT APPLICABLE TO WAREHOUSEMEN WAREHOUSE *
 39 OPERATORS. Persons who own or operate frozen food processing *
 40 plants shall not be construed to be warehousemen warehouse *
 41 operators, nor shall receipts or other instruments issued by *
 42 such persons in the ordinary conduct of their business be *
 43 construed to be negotiable warehouse receipts.

44 No change for subd 10 to 13

031*#31S

45 31.31 COMMERCIAL CANNERIES, REGULATION.

46 All commercial canneries shall be under the supervision and
 47 regulation of the commissioner. For the purpose of sections
 48 31.31 to 31.392, a commercial cannery is defined to mean any
 49 place or building where food is received in a raw or partly
 50 processed form, except for meats and meat products frozen in
 51 retail stores for sale directly to the consumer, for the purpose
 52 of canning in hermetically sealed containers and where
 53 sterilization by heat is used, or where preservation of
 54 vegetable products is accomplished by the use of approved
 55 chemical preservatives, sugar, salt or acidity factors
 56 introduced as ingredients or additives, or by freezing food for
 57 sale as and for food in any other type of vessel, bottle, can,
 58 bag, container or other type or form of package, and the
 59 products placed on the market for general consumption as human
 60 food; but shall not include private homes where farmers or
 61 others may pack or preserve vegetables, fruits, fish or other
 62 food products for their own use, or a food establishment that
 63 processes meat or poultry products under supervision of the U.S.
 64 department of agriculture. At such times as the commissioner
 65 may deem proper, ~~he~~ the commissioner shall cause all commercial *
 66 canneries to be inspected, and shall require the correction of
 67 all unsanitary conditions or practices found therein, and may
 68 search and enter all cupboards, closets, or any other places in
 69 such canneries for the purpose of enforcing the provisions of
 70 laws, rules and regulations provided therefor.

031*#37S

71 31.37 NOTICE OF INTENTION TO OPERATE.

72 Any person owning or operating a canning factory shall, by
 73 written notice on or before June first, of each year, notify the

1 commissioner whether or not such factory is to be operated
 2 during that season or year, giving kinds and varieties of
 3 products to be canned or manufactured that season. At least ten
 4 days prior to the beginning of operation of any canning factory,
 5 the commissioner shall be notified, in writing, of such intended
 6 operation. On or before November fifteenth, of each year, the
 7 owner, manager, or superintendent of such factory shall furnish
 8 the commissioner, ~~his~~ agent, or inspector, with a report giving
 9 such information concerning the factory as ~~he~~ the commissioner,
 10 agent, or inspector may require. *

031*#38S

11 31.38 CERTIFICATE OF INSPECTION, COMMERCIAL CANNERIES;
 12 LABELS, BRANDS.

13 The commissioner shall furnish to each commercial cannery
 14 that shall have fully complied with the provisions of sections
 15 31.31 to 31.392, a certificate of inspection that such cannery
 16 has been inspected and has complied with all laws, rules, and
 17 regulations applying thereto. The commissioner may authorize the
 18 proprietor of such cannery to use the following or similar label
 19 or brand on ~~his~~ products: "Packed under regulations of, and in
 20 cannery inspected by Minnesota Department of Agriculture," or
 21 such other label, trademark, device, brand, or guarantee
 22 certificate as the commissioner may designate or adopt. *

031*#39S

23 31.39 ASSESSMENTS; INSPECTION SERVICES; COMMERCIAL
 24 CANNERIES ACCOUNT.

25 The commissioner is hereby authorized and directed to
 26 collect from each commercial cannery an assessment for
 27 inspection and services furnished, and for maintaining a
 28 bacteriological laboratory and employing such bacteriologists
 29 and trained and qualified sanitarians as ~~he~~ the commissioner may
 30 deem necessary. The assessment to be made on each commercial
 31 cannery, for each and every packing season, shall not exceed
 32 one-half cent per case on all foods packed, canned, or preserved
 33 therein, nor shall the assessment in any one calendar year to
 34 any one cannery exceed \$2,500, and the minimum assessment to any
 35 cannery in any one calendar year shall be \$100; provided, that
 36 the amount of the annual license fee collected under section
 37 28A.08 shall be used to reduce the annual assessment for that
 38 year. The commissioner shall provide appropriate deductions
 39 from assessments for the net weight of meat, chicken, or turkey
 40 ingredients which have been inspected and passed for
 41 wholesomeness by the United States department of agriculture.
 42 The commissioner may, when ~~he~~ the commissioner deems it
 43 advisable, graduate and reduce the assessment to such sum as is
 44 required to furnish the inspection and laboratory services
 45 rendered. The assessment made and the license fees, penalties,
 46 and other sums so collected shall be deposited in the state
 47 treasury, as other departmental receipts are deposited, but
 48 shall constitute a separate account to be known as the
 49 commercial canneries inspection account, which is hereby
 50 created, and together with moneys now remaining in said account,
 51 set aside, and appropriated as a revolving fund, to meet the
 52 expense of special inspection, laboratory and other services
 53 rendered, as provided in sections 31.31 to 31.392. The amount
 54 of such assessment shall be due and payable on or before
 55 December 31, of each year, and if not paid on or before February
 56 15 following, shall bear interest after that date at the rate of
 57 seven percent per annum, and a penalty of ten percent on the
 58 amount of the assessment shall also be added and collected. *

031*#393S

59 31.393 PENALTIES.

60 Whoever shall, without permission of the commissioner, use
 61 any brand, label, or device authorized by the commissioner, or
 62 who shall fail to furnish reports containing information
 63 required or within the time specified, or who shall fail to obey
 64 any lawful direction of the commissioner given ~~by him~~ in while
 65 carrying out the provisions of sections 31.31 to 31.392, or
 66 shall use any raw materials, articles, or substances forbidden
 67 to be used in canning, packing, or preserving vegetables or
 68 fruits, or shall violate, or fail to comply with, any of the
 69 provisions of sections 31.31 to 31.392, or the rules or
 70 regulations made thereunder, shall be guilty of a misdemeanor. *

031*#495S

71 31.495 REGULATION OF FOOD SALVAGE OPERATIONS.

72 Subdivision 1. For the purposes this section, the terms

1 defined in this subdivision have the meanings given them:

2 (a) "Distressed food" means any food, the label of which
3 has been lost, defaced, or obliterated, or food which has been
4 subjected to possible damage due to accident, fire, flood,
5 adverse weather, or to any other similar cause; or food which is
6 suspected of having been rendered unsafe or unsuitable for food
7 use.

8 (b) "Reconditionable or salvageable food" is distressed
9 food which it is possible to reclaim for food, feed, or seed use
10 as determined by examination by the commissioner or ~~his~~ the
11 commissioner's representatives. *

12 (c) "Reconditioned or salvaged food" is reconditionable or
13 salvageable food which has been reconditioned or salvaged under
14 supervision of the commissioner so as to comply with the
15 standards established under this section.

16 (d) "Reconditioning" or "salvaging" is the act of cleaning,
17 culling, sorting, scouring, labeling, relabeling, or in any way
18 treating "distressed food" so that it may be deemed to be
19 "reconditioned" or "salvaged food" and therefore is acceptable
20 for sale or use as human food, animal feed, or seed as provided
21 therefor by the commissioner.

22 (e) "Salvage food processor" is a person who holds a
23 license under section 28A.04 to operate as a salvage food
24 processor and who receives supervision of ~~his~~ the salvaging
25 operations from the commissioner. *

26 (f) "Labeling" means any legend or descriptive matter or
27 design appearing upon an article of food or its container, and
28 includes circulars, pamphlets and the like, which are packed and
29 go with the article to the purchaser, and placards which may be
30 allowed to be used to describe the food.

31 Subd. 2. (a) It is unlawful for any person either to
32 ~~represent-himself claim~~ to be a salvage food processor, or to
33 engage in the activities of reconditioning or salvaging
34 distressed food, or both, ~~unless-he-has-been-issued~~ without a
35 license issued under section 28A.04 authorizing that person to
36 operate as a salvage food processor, which license may not be
37 issued ~~until-he-has-complied~~ absent compliance with all the
38 provisions of this section and all rules and regulations
39 promulgated under this section. *

40 (b) Before issuing a license, the commissioner shall
41 determine that the applicant's salvage establishment meets at
42 least the minimum requirements adopted by rule and regulation
43 for such an establishment which shall include but not be limited
44 to adequacy of buildings, location, water supply, waste
45 disposal, equipment, hand washing and toilet facilities, and
46 sanitation practices, as the same relate to the protection of
47 the public health and welfare.

48 Subd. 3. Repealed, 1974 c 2 s 8

49 Subd. 4. (a) No salvage food processor shall sell
50 distressed food for human food, animal feed, or seed ~~unless-he~~
51 ~~without first has-notified~~ notifying the commissioner who shall
52 inspect and examine the distressed food and determine if it
53 needs to be salvaged. If ~~he~~ the commissioner determines that
54 the distressed food is reconditionable or salvageable, ~~he~~ the
55 commissioner shall issue a stop sale order which shall require
56 the distressed food to be held inviolate pending supervision of
57 the reconditioning or salvaging of the distressed food by the
58 commissioner. If distressed food is found to be in need of
59 salvage and is salvageable, the commissioner shall direct it to
60 be salvaged by any salvage food processor who holds a valid
61 license and is duly authorized by the owner of the food or ~~his~~
62 the owner's agent to salvage it, after which the salvaged food
63 shall be released by the commissioner for sale. If it is found
64 not to be salvageable for human food, it may be salvaged for
65 animal feed or seed, unless it is not suitable for animal feed
66 or seed, in which case the commissioner shall render such
67 distressed food unsalable for use as human food, animal feed, or
68 seed and order it disposed of under ~~his~~ the commissioner's
69 supervision. *

70 (b) No person shall offer for sale as human food any
71 distressed food which has been diverted to animal feed or seed
72 use or has been rendered unsalable as human food by the
73 commissioner or ~~his~~ the commissioner's assistants. *

74 Subd. 5. This section does not apply to: (a) Any food
75 manufacturer, distributor, or processor who in the normal course
76 of ~~his~~ the business of manufacturing, processing, or *

1 distributing of food engages in the activities of reconditioning
 2 and salvaging distressed food manufactured, distributed or
 3 processed by or for ~~him~~ that person and not purchased by ~~him~~ *
 4 that person solely for the purpose of reconditioning, salvaging, *
 5 and sale; or (b) Any person who reassembles or disposes of
 6 undamaged food which is from lots in which food or packaging
 7 materials or containers are damaged in the normal course of
 8 commerce or while in ~~his~~ that person's possession and which is *
 9 not purchased by ~~him~~ that person solely for the purpose of *
 10 reconditioning, salvaging, and sale, or any common carrier or
 11 ~~his~~ agent of the common carrier who disposes of or otherwise *
 12 transfers undamaged or distressed food to a person exempt under
 13 this section or to a salvage food processor who holds a valid
 14 license under this section; or (c) Any person who stores,
 15 handles or processes grain or oil seeds in the normal course
 16 of ~~his~~ business except when such person purchases for the *
 17 purpose of reconditioning, salvaging, and sale as human food
 18 grain or oil seeds contaminated by bird, rodent or animal
 19 excreta or by chemicals poisonous, injurious or detrimental to
 20 human life or health.

031*#53S

21 31.53 INSPECTIONS; CORRECTIVE ORDERS.
 22 The commissioner shall at such times as ~~he~~ the commissioner *
 23 deems necessary cause any plant processor or place of business
 24 where animal or poultry slaughtering, packing or processing
 25 occurs, to be inspected and shall make such order as is
 26 necessary to correct unsanitary conditions in any such plant.
 27 Each order shall specify the time within which it shall be
 28 complied with, and such order shall be served in person or by
 29 certified mail. Failure to comply with such orders within the
 30 time stated shall be deemed a violation of this section. The
 31 commissioner or any of ~~his~~ the commissioner's representatives or *
 32 inspectors may enter any plant or any place of business in which
 33 such operations are being conducted, at any reasonable hour for
 34 inspection purposes. Free access to every part of the premises
 35 shall be afforded and aid and assistance necessary to enable the
 36 person making the inspection to make a thorough and complete
 37 examination shall be given.

031*#56S

38 31.56 LIMITATION.
 39 Subdivision 1. FARMER'S OWN ANIMALS. Sections 31.51
 40 to 31.58 do not apply to a farmer slaughtering ~~his~~ the farmer's *
 41 own rabbits or poultry on ~~his~~ the farmer's own farm for: (1) *
 42 his-own personal use, (2) the use of ~~his~~ the farmer's immediate *
 43 family, or (3) sale directly to the ultimate consumer; or to the
 44 farmer slaughtering ~~his~~ the farmer's own animals on ~~his~~ the *
 45 farmer's own farm for his-own personal use or the use of *
 46 ~~his~~ the farmer's household and nonpaying guests and employees. *
 47 No change for subd 2 to 4
 48 Subd. 5. Except as provided in this section, no person
 49 shall sell, offer for sale, or ~~have-in-his-possession~~ possess *
 50 with intent to sell any meat, poultry, or rabbit product unless
 51 said product comes from animals, poultry, or rabbits which have
 52 been slaughtered or processed in establishments which are
 53 licensed by the state or are under the inspection program of the
 54 United States department of agriculture.

031*#631S

55 31.631 HORSE MEAT INTENDED FOR OTHER THAN HUMAN
 56 CONSUMPTION.
 57 Subdivision 1. PREPARATION. It shall be unlawful
 58 for any person to offer or expose for sale, or ~~have-in-his~~ *
 59 possession possess or traffic in, any horse meat with intent to *
 60 use or sell the same for other than human consumption unless it
 61 is denatured or decharacterized so as to make it readily
 62 distinguishable from horse meat intended for human consumption,
 63 or unless it complies with federal laws and regulations
 64 applicable thereto.
 65 No change for subd 2
 66 Subd. 3. INSPECTION. For obtaining information
 67 regarding compliance with law the commissioner of agriculture,
 68 and any of ~~his~~ the commissioner's agents, representatives or *
 69 employees, shall have access to all places, buildings or
 70 premises, and to all wagons, automobiles, vehicles or cars used
 71 in the preparation, production, distribution, transportation,
 72 exposing for sale or sale of any horse meat not intended for
 73 sale or use for human consumption and shall have such other

1 authority as is provided in section 31.04.

2 No change for subd 4

031*#651S

3 31.651 KOSHER PRODUCTS, UNLAWFUL SALE.

4 Subdivision 1. No person shall sell or expose for sale any
5 meat or meat preparations and falsely represent the same to be
6 kosher, whether such meat or meat preparations be raw or
7 prepared for human consumption; nor shall ~~he~~ the person permit *
8 any such products or the contents of any package or container to
9 be labeled or to have inscribed thereon the word "kosher" in any
10 language unless such products shall have been prepared or
11 processed in accordance with orthodox Hebrew religious
12 requirements sanctioned by a recognized rabbinical council.

13 Subd. 2. Any person who sells or exposes for sale in the
14 same place of business both kosher and nonkosher meat or meat
15 preparations, either raw or prepared for human consumption,
16 shall indicate on ~~his~~ window signs and all display advertising, *
17 in block letters at least four inches in height, "kosher and
18 nonkosher meat sold here;" and shall display over each kind of
19 meat or meat preparation so exposed a sign, in block letters at
20 least two inches in height, reading, "kosher meat," or
21 "nonkosher meat," as the case may be; provided that subdivision
22 2 shall not apply to persons selling or offering for sale kosher
23 meats or meat products solely in separate consumer packages,
24 which have been prepackaged and properly labeled "kosher".

25 No change for subd 3 to 4

031*#661S

26 31.661 MARKS, STAMPS, TAGS, BRANDS, OR LABELS.

27 No person shall:

28 (1) Wilfully mark, stamp, tag, brand, label or in any other
29 way or by any other means of identification, represent or cause
30 to be marked, stamped, tagged, branded, labeled or represented
31 as kosher or as having been prepared in accordance with the
32 orthodox Hebrew religious requirements food or food products not
33 kosher or not so prepared, or

34 (2) Wilfully remove, deface, obliterate, cover, alter, or
35 destroy or cause to be removed, defaced, obliterated, covered,
36 altered or destroyed the original slaughter-house plumba or any
37 other mark, stamp, tag, brand, label or any other means of
38 identification affixed to foods or food products to indicate
39 that such foods or food products are kosher or have been
40 prepared in accordance with the orthodox Hebrew religious
41 requirements, or

42 (3) Knowingly sell, dispose of or ~~have-in-his-possession~~ *
43 possess, for the purpose of resale to any person as kosher, any *
44 food or food products not having affixed thereto the original
45 slaughter-house plumba or any other mark, stamp, tag, brand,
46 label or other means of identification employed to indicate that
47 such food or food products are kosher or have been prepared in
48 accordance with the orthodox Hebrew religious requirements or
49 any food or food products to which such plumba, mark, stamp,
50 tag, brand, label or other means of identification has or have
51 been fraudulently affixed.

031*#787S

52 31.787 ENFORCEMENT.

53 In enforcing the provisions of sections 31.781 to 31.789,
54 the commissioner may receive complaints and investigate possible
55 violations. The commissioner and ~~his~~ the commissioner's *
56 employees shall have reasonable access to all places wherein any
57 item of perishable food regulated pursuant to sections 31.781 to
58 31.789 is sold or held or offered for sale, and may take samples
59 of perishable food for analysis. The attorney general, acting
60 for the commissioner, or any municipal or county official
61 responsible for the enforcement of rules or ordinances, may
62 bring an action to restrain violations of sections 31.781 to
63 31.789.

031*#903S

64 31.903 EVIDENCE OF INTENT; ACT OF AGENT THAT OF
65 PRINCIPAL.

66 No person who shall commit or assist in committing any
67 offense defined in the laws relating to food administered by the
68 department of agriculture, shall be exempt from conviction and
69 punishment therefor for the reason that ~~he~~ the person acted as *
70 the agent, employee, or representative of another. When
71 construing and enforcing the provisions thereof, the act,
72 omission, or failure of any officer, agent, or other person

1 acting for or employed by any corporation, copartnership,
 2 company, society, or association within the scope of his an *
 3 employment or office, shall, in every case, be also deemed to be
 4 the act, omission, or failure of such corporation,
 5 copartnership, company, society, or association, as well as that
 6 of the person.

7 The having in possession of any article, the manufacture,
 8 sale, use or transportation of which is restricted, regulated,
 9 or forbidden thereunder shall be deemed prima facie evidence of
 10 intent to sell, manufacture, transport, or use the same in
 11 violation of laws.

031A#02S

12 31A.02 DEFINITIONS.

13 No change for subd 1

14 Subd. 2. "Commissioner" means the commissioner of the
 15 Minnesota department of agriculture or his the commissioner's *
 16 delegate.

17 No change for subd 3 to 4

18 Subd. 5. CUSTOM PROCESSING. "Custom processing"
 19 means the slaughtering, eviscerating, dressing, or processing of
 20 an animal or the processing of meat products for the owner of
 21 the animal or of the meat products when all meat products
 22 derived from custom slaughter are returned to the owner of the
 23 animal or of the meat products. No person shall sell, offer for
 24 sale, or ~~have-in-his-possession~~ possess with intent to sell any *
 25 meat derived from custom processing.

26 Subd. 6. "Meat broker" means any person engaged in the
 27 business of buying or selling carcasses, parts of carcasses,
 28 meat, or meat food products of animals on commission, or
 29 otherwise negotiating purchases or sales of those articles other
 30 than for his the person's own account or as an employee of *
 31 another person, firm, or corporation.

32 No change for subd 7 to 9

33 Subd. 10. "Meat food product" means any product capable of
 34 use as human food which is made wholly or in part from any meat
 35 or other portion of the carcass of any cattle, sheep, swine, or
 36 goats, excepting products which contain meat or other portions
 37 of the carcasses of cattle, sheep, swine, or goats only in a
 38 relatively small proportion or historically have not been
 39 considered by consumers as products of the meat food industry,
 40 and which are exempted from definition as a meat food product by
 41 the commissioner under the conditions ~~he~~ the commissioner *
 42 prescribes to assure that the meat or other portions of
 43 carcasses contained in the products are not adulterated and that
 44 the products are not represented as meat food products. This
 45 term as applied to food products of equines shall have a meaning
 46 comparable to that provided in this subdivision for cattle,
 47 sheep, swine, and goats.

48 No change for subd 11 to 23

031A#05S

49 31A.05 APPLICATION OF INSPECTION PROVISIONS.

50 The foregoing provisions shall apply to all carcasses or
 51 parts of carcasses of animals or the meat or meat products
 52 thereof, capable of use as human food, which may be brought into
 53 any slaughtering, meat canning, salting, packing, rendering, or
 54 similar establishment, where inspection under sections 31A.01 to
 55 31A.16 is maintained, and examination and inspection shall be
 56 made before the carcasses or parts thereof shall be allowed to
 57 enter into any department wherein they are to be treated and
 58 prepared for meat food products; and the foregoing provisions
 59 shall also apply to all products which, after having been issued
 60 from a slaughtering, meat canning, salting, packing, rendering,
 61 or similar establishment, shall be returned to it or to any
 62 similar establishment where inspection is maintained. The
 63 commissioner may limit the entry of carcasses, parts of
 64 carcasses, meat and meat food products, and other materials into
 65 any establishment at which inspection under sections 31A.01 to
 66 31A.16 is maintained to conditions ~~he~~ the commissioner *
 67 prescribes to assure that allowing the entry of articles into
 68 inspected establishments will be consistent with the purposes of
 69 sections 31A.01 to 31A.31.

031A#07S

70 31A.07 MARKING OR LABELING OF INSPECTED ARTICLES.

71 No change for subd 1 to 2

72 Subd. 3. The commissioner, ~~whenever-he-determines~~ on *
 73 determining that action is necessary for the protection of the *

1 public, may prescribe: (1) The styles and sizes of type to be
 2 used with respect to material required to be incorporated in
 3 labeling to avoid false or misleading labeling of any articles
 4 or animals subject to sections 31A.01 to 31A.20; (2) Definitions
 5 and standards of identity or composition for articles subject to
 6 sections 31A.01 to 31A.16 and standards of fill of container for
 7 articles subject to sections 31A.01 to 31A.16 not inconsistent
 8 with any standards established under the Federal Food, Drug, and
 9 Cosmetic Act, or under the Federal Meat Inspection Act, and
 10 there shall be consultation between the commissioner and the
 11 Secretary of Agriculture of the United States prior to the
 12 issuance of standards to avoid inconsistency between state
 13 standards and the federal standards.

14 No change for subd 4

15 Subd. 5. If the commissioner has reason to believe that
 16 any marking or labeling or the size or form of any container in
 17 use or proposed for use with any article subject to sections
 18 31A.01 to 31A.16 is false or misleading in any particular, ~~he~~ *
 19 the commissioner may direct that its use be withheld unless the *
 20 marking, labeling, or container is modified in a manner ~~he the~~ *
 21 commissioner prescribes so that it will not be false or *
 22 misleading. If the person using or proposing to use the
 23 marking, labeling or container does not accept the determination
 24 of the commissioner, the person may request a hearing, but the
 25 use of the marking, labeling, or container shall, if the
 26 commissioner so directs, be withheld pending hearing and final
 27 determination by the commissioner. Any determination by the
 28 commissioner shall be conclusive unless, within 30 days after
 29 receipt of notice of the final determination, the person
 30 adversely affected appeals to the district court.

031A#08S

31 31A.08 RULES AND REGULATIONS.

32 The commissioner shall cause to be made, by experts in
 33 sanitation, or by other competent inspectors, the inspections of
 34 all slaughtering, meat canning, salting, packing, rendering, or
 35 similar establishments in which animals are slaughtered and the
 36 meat and meat food products thereof are prepared solely for
 37 intrastate commerce as may be necessary to ~~inform-himself~~ become *
 38 informed concerning the sanitary conditions of the *
 39 establishments, and to prescribe the rules and regulations of
 40 sanitation under which the establishments shall be maintained;
 41 and where the sanitary conditions of any establishment are such
 42 that the meat or meat food products are rendered adulterated, ~~he~~ *
 43 the commissioner shall refuse to allow the meat or meat food *
 44 products to be labeled, marked, stamped, or tagged as "Minnesota
 45 Inspected and Passed".

031A#10S

46 31A.10 PROHIBITIONS.

47 No persons may, with respect to any animal or any
 48 carcasses, parts of carcasses, meat, or meat food products of
 49 any animals:
 50 (a) slaughter any animals or prepare any articles which are
 51 capable of use as human food, at any establishment preparing
 52 articles solely for intrastate commerce, except in compliance
 53 with the requirements of sections 31A.01 to 31A.31;
 54 (b) sell, transport, offer for sale or transportation, or
 55 receive for transportation, in intrastate commerce (1) any
 56 articles which are capable of use as human food, and are
 57 adulterated or misbranded at the time of sale, transportation,
 58 offer for sale or transportation, or receipt for transportation;
 59 or (2) any articles required to be inspected under sections
 60 31A.01 to 31A.16 unless they have been so inspected and passed;
 61 (c) do, with respect to any articles which are capable of
 62 use as human food, any act while they are being transported in
 63 intrastate commerce or held for sale after transportation, which
 64 is intended to cause or has the effect of causing articles to be
 65 adulterated or misbranded; or
 66 (d) sell, offer for sale, or ~~have-in-his-possession~~ possess *
 67 with intent to sell, any meat derived from custom processing.

031A#11S

68 31A.11 FORGING OF OFFICIAL MARKS OR CERTIFICATES.

69 No change for subd 1

70 Subd. 2. No person shall:

- 71 (a) Forge any official device, mark, or certificate;
- 72 (b) Without authorization from the commissioner use any
- 73 official device, mark, or certificate, or simulation thereof, or

1 alter, detach, deface, or destroy any official device, mark, or
2 certificate;

3 (c) Contrary to the regulations prescribed by the
4 commissioner, fail to use, or to detach, deface, or destroy any
5 official device, mark, or certificate;

6 (d) Knowingly possess, without promptly notifying the
7 commissioner or ~~his~~ the commissioner's representative, any
8 official device or any counterfeit, simulated, forged, or
9 improperly altered official certificate or any device or label
10 or any carcass of any animal, or part or product thereof,
11 bearing any counterfeit, simulated, forged, or improperly
12 altered official mark;

13 (e) Knowingly make any false statement in any shipper's
14 certificate or other nonofficial or official certificate
15 provided for in the regulations prescribed by the commissioner,
16 or;

17 (f) Knowingly represent that any article has been inspected
18 and passed, or exempted, under sections 31A.01 to 31A.31, when
19 in fact, it has, respectively, not been inspected and passed, or
20 exempted.

031A#15S

21 31A.15 EXEMPTIONS.

22 Subdivision 1. INSPECTION. The provisions of
23 sections 31A.01 to 31A.16 requiring inspection of the slaughter
24 of animals and the preparation of the carcasses, parts of
25 carcasses, meat, and meat food products at establishments
26 conducting slaughter and preparation do not apply:

27 (1) to the processing by any person of ~~his~~ the person's own
28 animals and the owner's preparation ~~by him~~ and transportation in
29 intrastate commerce of the carcasses, parts of carcasses, meat,
30 and meat food products of ~~his-own~~ those animals exclusively for
31 use by ~~him~~ the owner and members of ~~his~~ the owner's household
32 ~~and his~~, nonpaying guests, and employees; or

33 (2) to the custom processing by any person of cattle,
34 sheep, swine, or goats delivered by the owner for processing,
35 and the preparation or transportation in intrastate commerce of
36 the carcasses, parts of carcasses, meat, and meat food products
37 of animals, exclusively for use in the household of the owner by
38 ~~him~~ the owner and members of ~~his~~ the owner's household ~~and~~
39 ~~his~~, nonpaying guests, and employees; provided, that all meat
40 derived from custom processing of cattle, sheep, swine, or goats
41 shall be identified and handled as required by the commissioner,
42 during all phases of processing, chilling, cooling, freezing,
43 preparation, storage, and transportation; and provided further,
44 that the custom processor does not engage in the business of
45 buying or selling any carcasses, parts of carcasses, meat, or
46 meat food products of any animals capable of use as human food
47 unless the carcasses, parts of carcasses, meat, or meat food
48 products have been inspected and passed and are identified as
49 having been inspected and passed by the Minnesota department of
50 agriculture or the United States department of agriculture.

51 No change for subd 2 to 3

031A#16S

52 31A.16 STORING AND HANDLING CONDITIONS.

53 The commissioner may by regulations prescribe conditions
54 under which carcasses, parts of carcasses, meat, and meat food
55 products of animals capable of use as human food, shall be
56 stored or otherwise handled by any person engaged in the
57 business of buying, selling, freezing, storing, or transporting
58 them, in or for intrastate commerce, whenever the commissioner
59 deems action necessary to assure that the articles will not be
60 adulterated or misbranded when delivered to the consumer.

61 Violation of ~~his~~ the commissioner's regulation is prohibited.

031A#19S

62 31A.19 REGISTRATION OF BUSINESSES.

63 No person shall engage in business, in or for intrastate
64 commerce, as a meat broker, renderer, or animal food
65 manufacturer, or engage in business in intrastate commerce as a
66 wholesaler of any carcasses, or parts or products of carcasses,
67 of animals whether intended for human food or other purposes, or
68 engage in business as a public ~~warehouseman~~ warehouse operator
69 storing carcasses, or parts of carcasses of animals in or for
70 intrastate commerce, or engage in the business of buying,
71 selling, or transporting in intrastate commerce, any dead,
72 dying, disabled, or diseased animals of the specified kinds, or
73 parts of the carcasses of animals that died otherwise than by

1 slaughter, unless, when required by regulation of the
 2 commissioner, he the person has registered with the commissioner
 3 his the person's name, and the address of each place of business
 4 at which, and all trade names under which, he the person
 5 conducts his business.

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031A#21S

6 31A.21 COOPERATION WITH FEDERAL GOVERNMENT.

7 No change for subd 1 to 3

8 Subd. 4. When the state program includes performance of
 9 functions by a municipality or other subdivision of state
 10 government, the municipality or other subdivision of state
 11 government shall be deemed to be a part of the Minnesota
 12 department of agriculture for the purposes of this section.

13 (a) Any municipality or other subdivision of state
 14 government, through the health officer or other appropriate
 15 authority, may make written application for designation to
 16 operate a state approved inspection service under supervision of
 17 the commissioner. Each application shall be filed on a form
 18 obtained from the commissioner and shall include the information
 19 the commissioner requires.

20 (b) Upon receipt of an application the commissioner shall
 21 make an inspection and investigation to determine whether the
 22 inspection service of a municipality or other subdivision of
 23 state government is in conformance with sections 31A.01 to
 24 31A.31 and the designation to operate under his the
 25 commissioner's supervision as an approved inspection service on
 26 the basis of facts disclosed by the investigation. A
 27 municipality or other subdivision of state government shall be
 28 designated only after determination by the commissioner that
 29 each establishment under supervision of the municipality or
 30 other subdivision is in conformance with sections 31A.01 to
 31 31A.31 and the regulations of the commissioner and that the
 32 municipality or other subdivision of state government is
 33 effectively enforcing laws and regulations equivalent to
 34 sections 31A.01 to 31A.31 and the regulations promulgated
 35 thereunder. The department shall make regular periodic
 36 inspections and surveys to determine if the inspection service
 37 by a municipality or other subdivision of state government is
 38 being maintained in compliance and the commissioner may revoke
 39 the designation of inspection service by an agency if he the
 40 commissioner finds that there is any failure to conform to the
 41 applicable provisions of sections 31A.01 to 31A.31 or the
 42 regulations.

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43 (c) When a municipality or other subdivision of state
 44 government performs inspection service as provided for herein,
 45 the agency may be reimbursed for the service at a rate
 46 contracted with Minnesota department of agriculture.

031A#22S

47 31A.22 REFUSAL OR WITHDRAWAL OF INSPECTION.

48 The commissioner may, for a period, or indefinitely, as he
 49 the commissioner deems necessary to effectuate the purposes of
 50 sections 31A.01 to 31A.31, refuse to provide, or withdraw,
 51 inspection service under sections 31A.01 to 31A.16 with respect
 52 to any establishment if he the commissioner determines, after
 53 opportunity for a hearing is accorded to the applicant for, or
 54 recipient of, the service, that the applicant or recipient is
 55 unfit to engage in any business requiring inspection under
 56 sections 31A.01 to 31A.16 because the applicant or recipient, or
 57 anyone responsibly connected with the applicant or recipient,
 58 has been convicted, in a federal or state court, of (1) any
 59 felony, or (2) more than one violation of any law, other than a
 60 felony, based upon the acquiring, handling, or distributing of
 61 unwholesome, mislabeled, or deceptively packaged food or upon
 62 fraud in connection with transactions in food. This section
 63 shall not affect in any way other provisions of sections 31A.01
 64 to 31A.31 for withdrawal of inspection services under sections
 65 31A.01 to 31A.16 from establishments failing to maintain
 66 sanitary conditions or to destroy condemned carcasses, parts,
 67 meat or meat food products.

*
 *
 *

68 For the purpose of this section a person shall be deemed to
 69 be responsibly connected with the business if he the person is a
 70 partner, officer, director, holder, or owner of 10 per centum or
 71 more of its voting stock or employee in a managerial or
 72 executive capacity. The determination and order of the
 73 commissioner with respect thereto under this section shall be
 74 final and conclusive unless the affected applicant for, or

*

1 recipient of, inspection service files application for judicial
2 review within 30 days after the effective date of the order in
3 the district court. Judicial review of any order shall be upon
4 the record upon which the determination and order are based.

031A#25S

5 31A.25 ACCESS BY INSPECTORS.

6 For obtaining information regarding suspected violations of
7 law, the commissioner, ~~his~~ and the commissioner's assistants, *
8 inspectors, appointees, agents and employees, shall have access
9 to all places where any article of food, or other article, the
10 manufacture, sale, use or transportation of which is now or
11 hereafter restricted, regulated, or prohibited by any law of
12 this state, is or may be manufactured, prepared, stored, sold,
13 used, transported, offered for sale or transportation, or had in
14 possession with intent to use, sell, or transport, or where cows
15 or other animals are pastured or stabled, to cars or other
16 carriages used for transportation of the articles or animals,
17 and to places where food is or may be cooked, prepared, sold or
18 kept for sale to or for the public or distributed as a part of
19 the compensation of servants or agent, including public and
20 private hospitals, lumber and railroad camps, inns, boarding and
21 eating houses, drinking places, dining cars, boats, and other
22 places where any of these articles may be manufactured, sold,
23 used, offered for sale or transportation, or had in possession
24 with intent to use, sell or transport, and they may inspect any
25 package, receptacle, or container found therein apparently
26 containing any article of food or ingredient thereof, or any
27 other article the manufacture, use, sale, or transportation of
28 which is now or hereafter restricted, regulated, or forbidden by
29 any law of this state, and may take samples therefrom for
30 analysis. Any person obstructing entry or inspection, or
31 failing upon request to assist therein, shall be guilty of a
32 misdemeanor.

031A#26S

33 31A.26 VIOLATIONS AND PENALTIES.

34 No change for subd 1

35 Subd. 2. Nothing in sections 31A.01 to 31A.31 shall be
36 construed as requiring the commissioner to report for
37 prosecution or for the institution of injunction proceedings,
38 minor violations of sections 31A.01 to 31A.31 when ~~he~~ the *
39 commissioner believes that the public interest will be *
40 adequately served by a suitable written notice of warning.

031A#27S

41 31A.27 POWERS OF COMMISSIONER.

42 Subdivision 1. The commissioner may, for the purposes of
43 sections 31A.01 to 31A.31:

44 (a) Gather and compile information concerning and,
45 investigate from time to time the organization, business,
46 conduct, practices, and management of any person engaged in
47 intrastate commerce, and the relation thereof to other persons;

48 (b) Require, by general or special orders, persons engaged
49 in intrastate commerce, or any class of them, or any of them to
50 file with the commissioner, in the form the commissioner
51 prescribes, annual and special reports or answers in writing to
52 specific questions, furnishing to the commissioner the
53 information ~~he~~ the commissioner requires about the organization, *
54 business, conduct, practices, management, and relation to other
55 persons, of the person filing the reports or answers. The
56 reports and answers shall be made under oath, or otherwise, as
57 the commissioner prescribes, and shall be filed with the
58 commissioner within a reasonable time as the commissioner
59 prescribes, unless additional time is granted in any case by the
60 commissioner.

61 Subd. 2. For the purposes of sections 31A.01 to 31A.31,
62 the commissioner shall at all reasonable times have access to,
63 for the purpose of examination, and the right to copy any
64 documentary evidence of any person being investigated or
65 proceeded against, and may require by subpoena the attendance
66 and testimony of witnesses and the production of all documentary
67 evidence of any person relating to any matter under
68 investigation. The commissioner may sign subpoenas and may
69 administer oaths and affirmations, examine witnesses, and
70 receive evidence.

71 (a) Attendance of witnesses, and the production of
72 documentary evidence may be required at any designated place of
73 hearing. In case of disobedience to a subpoena the commissioner

1 may invoke the aid of the district court to require the
2 attendance and testimony of witnesses and the production of
3 documentary evidence.

4 (b) The district court, in case of contumacy or refusal to
5 obey a subpoena issued to any person, may issue an order
6 requiring the person to appear before the commissioner or to
7 produce documentary evidence if ordered, or to give evidence
8 touching the matter in question; and any failure to obey the
9 order of the court may be punished by the court as a contempt.

10 (c) Upon the application of the attorney general of this
11 state at the request of the commissioner, the district court
12 shall have jurisdiction to issue orders commanding any person to
13 comply with the provisions of sections 31A.01 to 31A.31 or any
14 order of the commissioner made in pursuance of it.

15 (d) The commissioner may order testimony to be taken by
16 deposition in any proceeding or investigation pending under
17 sections 31A.01 to 31A.31 at any state of the proceeding or
18 investigation. Depositions may be taken before any person
19 designated by the commissioner and having power to administer
20 oaths. The testimony shall be reduced to writing by the person
21 taking the deposition, or under ~~his~~ the person's direction and *
22 shall then be subscribed by the deponent. Any person may be
23 compelled to appear and depose and to produce documentary
24 evidence in the same manner as witnesses may be compelled to
25 appear and testify and produce documentary evidence before the
26 commissioner as hereinbefore provided.

27 (e) Witnesses summoned before the commissioner may be paid
28 the same fees and mileage that are paid witnesses in the
29 district courts, and witnesses whose depositions are taken and
30 the persons taking the same may severally be entitled to the
31 same fees as are paid for like services in the district court.

32 (f) No person shall be excused from attending and
33 testifying or from producing books, papers, schedules of
34 charges, contracts, agreements, or other documentary evidence
35 before the commissioner or in obedience to the subpoena of the
36 commissioner whether the subpoena is signed or issued by ~~him~~ the *
37 commissioner or ~~his~~ the commissioner's delegate, or in any cause *
38 or proceeding, criminal or otherwise, based upon or growing out
39 of any alleged violation of sections 31A.01 to 31A.31, or of any
40 amendments thereto, on the ground or for the reason that the
41 testimony or evidence, documentary or otherwise, required of ~~him~~ *
42 ~~or-it~~ the person may tend to incriminate ~~him-or-it~~ the person or *
43 subject ~~him-or-it~~ the person to a penalty or forfeiture; but no *
44 person shall be prosecuted or subjected to any penalty or
45 forfeiture for or on account of any transaction, matter, or
46 thing concerning which ~~he~~ the person is compelled, after having *
47 claimed ~~his~~ a privilege against self-incrimination, to testify *
48 or produce evidence, documentary or otherwise, except that any
49 person so testifying shall not be exempt from prosecution and
50 punishment for perjury committed in so testifying.

51 Subd. 3. A person who neglects or refuses to attend and
52 testify or to answer any lawful inquiry, or to produce
53 documentary evidence, if in ~~his-or-its~~ the person's power to do *
54 so, in obedience to the subpoena or lawful requirement of the
55 commissioner is guilty of a misdemeanor.

56 (a) Any person who shall willfully make, or cause to be
57 made, any false entry or statement of fact in any report
58 required to be made under sections 31A.01 to 31A.31 or who shall
59 willfully make, or cause to be made, any false entry in any
60 account, record, or memorandum kept by a person subject to
61 sections 31A.01 to 31A.31 or who shall willfully neglect or fail
62 to make, or to cause to be made, full, true, and correct entries
63 in the accounts, records, or memoranda, of all facts and
64 transactions appertaining to the business of the person or that
65 shall willfully remove out of the jurisdiction of this state, or
66 willfully mutilate, alter, or by any other means falsify any
67 documentary evidence of a person subject to sections 31A.01 to
68 31A.31 or that shall willfully refuse to submit to the
69 commissioner for the purpose of inspection and taking copies,
70 any documentary evidence of a person subject to sections 31A.01
71 to 31A.31 in ~~his~~ the person's possession or ~~within-his~~ control, *
72 is guilty of a misdemeanor.

73 (b) If any person required by sections 31A.01 to 31A.31 to
74 file any annual or special report fails to do so within the time
75 fixed by the commissioner for filing the report, and ~~his~~ the *
76 person's failure continues for 30 days after notice of ~~his~~ *

1 failure to file, the person shall be guilty of a misdemeanor.
 2 (c) Any officer or employee of this state who shall make
 3 public any information obtained by the commissioner without ~~his~~ *
 4 the commissioner's authority, unless directed by a court, is *
 5 guilty of a misdemeanor.

031A#29S

6 31A.29 COST OF ADMINISTRATION; OVERTIME WORK.
 7 The cost of administration of sections 31A.01 to 31A.31,
 8 including the cost of inspection rendered under the requirements
 9 of sections 31A.01 to 31A.31, shall be paid from appropriations
 10 made for this purpose, except to the extent of federal
 11 contributions as provided in section 31A.21. The commissioner
 12 ~~is authorized, in his discretion, to~~ may pay employees of the *
 13 Minnesota department of agriculture employed in establishments
 14 subject to the provisions of sections 31A.01 to 31A.31, for
 15 overtime work performed at the establishments, and to accept
 16 from the establishments where the overtime work is performed
 17 reimbursement for sums paid by ~~him~~ the commissioner for overtime *
 18 work. Reimbursements shall be deposited in the treasury and
 19 credited to the accounts from which the overtime costs were paid.

032*#021S

20 32.021 DUTIES AND POWERS OF COMMISSIONER.
 21 No change for subd 1
 22 Subd. 2. For the purpose of enforcing the provisions of
 23 chapter 32 and amendatory acts the commissioner, ~~his~~ and the *
 24 commissioner's assistants, agents, and employees, shall have the *
 25 power and authority granted under the provisions of sections
 26 31.02 to 31.171.

032*#071S

27 32.071 MILK AND CREAM BUYER AND TESTER, LICENSE.
 28 No person shall operate a milk or cream testing apparatus
 29 for the purpose of determining the percentage of butterfat in
 30 milk or cream, and no person shall grade milk or cream either by
 31 apparatus or by an organoleptic method for the purpose of
 32 purchasing the same either ~~for himself~~ personally or for others *
 33 without first securing a license from the commissioner as
 34 hereinafter provided.

032*#075S

35 32.075 TERM OF LICENSE; TRANSFERABILITY; FEES AND
 36 PENALTIES.
 37 Every license issued by the commissioner shall be for a
 38 period ending on the thirty-first day of December next
 39 following, and shall not be transferable. The fee for each such
 40 initial license shall be \$25 and each renewal thereof shall be
 41 \$10 and shall be paid to the commissioner before any license or
 42 renewal thereof is issued. If a license renewal is not applied
 43 for on or before January 1 of each year, a penalty of \$10 shall
 44 be imposed. A person who does not renew ~~his~~ a license within *
 45 one year following its December 31 expiration date, except those
 46 persons who do not renew such license while engaged in active
 47 military service, shall be required to prove ~~his~~ competency and *
 48 qualification pursuant to section 32.073, before a license is
 49 issued. The commissioner may require any other person who
 50 renews ~~his~~ a license to prove ~~his~~ competency and qualification *
 51 in the same manner. All license fees and penalties received by
 52 the commissioner shall be paid into the state treasury.

032*#078S

53 32.078 SUSPENSION OR CANCELATION.
 54 The commissioner is empowered to suspend or cancel any
 55 license issued pursuant to the provisions of sections 32.071 to
 56 32.077 after a hearing upon written notice containing the
 57 grounds therefor, which notice shall be served personally upon
 58 the licensee or ~~his~~ the licensee's agent at least five days *
 59 prior to such hearing.

032*#10S

60 32.10 LICENSES; SUSPENSION, REVOCATION.
 61 When any person licensed under sections 28A.04 and 32.10
 62 shall have been convicted of a violation of any provision of any
 63 law of this state relating to the manufacture or sale of butter
 64 or cheese or other dairy products, or the operation of dairy
 65 plants, or other establishments in which dairy products or goat
 66 milk, as defined in section 32.391, subdivision 1, are
 67 manufactured, processed, or handled, or for transportation, or
 68 of any provision of any rule or regulation of the commissioner
 69 made and promulgated under the provisions of law or there has
 70 been a continued course of conduct by such licensee or any

1 agent, representative or employee of such licensee which
 2 deceives or defrauds producers or consumers, ~~his~~ the license (1) *
 3 may be suspended for the time stated in order of suspension, (2)
 4 may be revoked or canceled by the commissioner, or (3) upon
 5 application for a renewal license, the commissioner may refuse
 6 to issue the same, upon ten days' written notice with
 7 opportunity to be heard. The commissioner shall promulgate
 8 procedural rules and regulations governing the notice, hearing,
 9 evidence, findings, order, and record to be kept in such
 10 hearings, in the manner provided by law. Upon conviction of a
 11 second or any subsequent offense, the commissioner may revoke
 12 and cancel such license with or without notice of hearing, in
 13 ~~his~~ the commissioner's discretion, and in such case the *
 14 commissioner shall not issue another license for the operation
 15 of such plant or establishment for a term of one year from the
 16 date of such cancelation or revocation.

032*#103S

17 32.103 INSPECTION OF DAIRIES.

18 At such time as ~~he~~ the commissioner may deem proper, the *
 19 commissioner shall cause to be inspected all places where dairy
 20 products are made, stored, or served as food for pay, and all
 21 places where cows are kept by persons engaged in the sale of
 22 milk or cream, and shall require the correction of all
 23 insanitary conditions and practices found therein.

24 Every refusal or neglect to obey any lawful direction of
 25 the commissioner, or ~~his~~ the commissioner's agent, given in *
 26 carrying out the provisions of this section, shall be deemed a
 27 misdemeanor.

032*#104S

28 32.104 LOCAL INSPECTION.

29 Notwithstanding any law to the contrary, the governing
 30 authority of any municipal corporation or other subdivision of
 31 state government may, by ordinance, provide for the inspection
 32 of milk, cream, butter, or other dairy products sold within its
 33 limits, and of dairy plants, dairy farms and dairy herds kept
 34 for the production of such milk, cream, butter, or other dairy
 35 products and may prescribe the terms upon which such sales may
 36 be made and fix penalties for violation thereof, but no such
 37 ordinance shall conflict with any law of this state, or with any
 38 regulation of the commissioner for the inspection of dairy herds
 39 or dairy plants or dairy farms or impose any additional
 40 requirement for the sale of milk, cream, butter or other dairy
 41 products processed outside the corporate limits of the
 42 municipality than is imposed by law or by the regulations of the
 43 commissioner, or require a duplication of inspection of dairy
 44 plants, dairy farms, or dairy herds producing milk, cream,
 45 butter or other dairy products sold within its corporate limits,
 46 or otherwise interfere with any power or duty of the
 47 commissioner or ~~his~~ the commissioner's official subordinates. *

48 When a dairy plant is licensed by the commissioner of
 49 agriculture, the plant, including all distribution facilities
 50 and vehicles, is exempt from the licensing requirements of any
 51 subdivision of state government except for licensing
 52 requirements which the city in which the plant is located may
 53 impose.

032*#19S

54 32.19 REPORTS; CONTENTS NOT TO BE DIVULGED, PENALTY.

55 Every person, owner, or operator required by section 32.18
 56 to maintain daily records on milk, cream, butterfat and other
 57 dairy products shall, within 90 days following the close of each
 58 fiscal year and at such other times as the commissioner may fix
 59 or require, by rules and regulations adopted as required by law,
 60 make and file with the commissioner, on blank forms prepared by
 61 ~~him~~ the commissioner, itemized and verified reports of all *
 62 business transacted by ~~him~~ the commissioner, as set out in *
 63 section 32.18, during the preceding fiscal year. Such reports
 64 shall contain such further information as, from time to time,
 65 may be required by the commissioner. A duplicate copy thereof
 66 shall be retained by such person, owner, or operator in ~~his~~ *
 67 files, which shall be subject to examination by the commissioner
 68 at any time. It shall be unlawful for the commissioner, or any
 69 public official or employee to divulge or otherwise make known
 70 in any manner any particulars set forth or disclosed in any
 71 report or return required by this section, or any information
 72 concerning the business transacted by any such person, owner or
 73 operator so reporting, acquired from ~~his-or-its~~ records, *

1 officers or employees while examining or inspecting any ~~of-his~~ *
2 ~~or-its~~ books or records kept and maintained as required by *
3 section 32.18, except as such information is required or
4 authorized to be disclosed in a judicial proceeding by order of
5 the district court. Except as last stated and with the
6 authority there required, any person violating the provision of
7 this section establishing the confidential character of such
8 information and the reports or returns required to be made and
9 filed with the commissioner shall be guilty of a gross
10 misdemeanor.

11 Nothing herein contained shall be construed to prohibit the
12 commissioner from publishing statistics so classified as not to
13 disclose the identity of particular returns or reports or any
14 item or entry therein contained.

032*#20S

15 32.20 INSPECTION OF BOOKS AND RECORDS.

16 The books and records of all persons, owners, and operators
17 coming within the provisions of section 32.18 shall be open for
18 the inspection of the commissioner and ~~his~~ the commissioner's *
19 deputies and employees at all times, who shall make such
20 examination thereof as is desired or deemed necessary by the
21 commissioner.

032*#203S

22 32.203 OVERRUN IN EXCESS OF 24 PERCENT UNLAWFUL.

23 It shall be, and it is hereby declared to be, unlawful for
24 any person to have or permit a percentage of overrun in excess
25 of 24 percent in butter manufactured by ~~him~~ the person. *

032*#204S

26 32.204 EVIDENCE FOR PROSECUTIONS.

27 The reports required by law to be made and which are made
28 to the commissioner by persons engaged in the manufacture of
29 butter shall be competent evidence in any prosecution under
30 sections 32.203 and 32.204 against the person making the same,
31 and when such reports, received in evidence upon the trial, show
32 that during a period of one month or more the person on trial
33 and charged with a violation thereof alleged to have been
34 committed on a certain date within that period, has had or
35 permitted an average percentage of overrun in excess of 24
36 percent in the butter manufactured by ~~him~~ the person during that *
37 period, such showing shall be prima facie evidence of a
38 violation thereof by the person so charged, committed as of the
39 date alleged.

032*#206S

40 32.206 AUDIT OF BOOKS BY COMMISSIONER.

41 When complaint shall be made to the commissioner that any
42 person, firm, or corporation is violating the provisions of
43 32.203 and 32.204, or when the commissioner shall have reason to
44 believe that any person, firm, or corporation is violating the
45 provisions thereof, ~~he~~ the commissioner may cause the books and *
46 records of the person, firm, or corporation alleged to be
47 violating sections 32.203 and 32.204 to be examined and audited
48 by a competent accountant familiar with creamery practices and
49 the handling of books and accounts of creameries. This audit
50 shall be made for the purpose of aiding in determining whether
51 or not there has been such a violation.

032*#207S

52 32.207 BUTTERFAT, NONFAT MILK SOLIDS, SALES IN EXCESS OF
53 PURCHASES.

54 It shall be and it is hereby declared to be unlawful for
55 any person to sell or to permit any ~~of-his~~ employees, agents, *
56 officers, directors or other representatives to sell butterfat
57 or nonfat milk solids in butter, cheese, milk, cream, or any
58 other dairy products in excess of the number of pounds of
59 butterfat or nonfat milk solids contained in the milk, cream, or
60 other dairy products shown by ~~his~~ books and records as received *
61 by such person.

032*#208S

62 32.208 CUSTOM FACTORIES; WITHHOLDING OF DAIRY PRODUCT
63 PROHIBITED.

64 No person engaged in making butter or cheese for others out
65 of cream or milk furnished by them shall withhold, or permit to
66 be withheld, any part of the cream or milk so furnished, or any
67 product thereof, without the knowledge and consent of the
68 owner. Every maker shall keep a record as required by sections
69 32.18 to 32.20. These records shall be exhibited on request of
70 the commissioner and ~~his~~ the commissioner's employees and to all *

1 persons furnishing milk and cream to such maker.

032*#392S

2 32.392 APPROVAL OF DAIRY PLANTS.

3 No person shall operate a dairy plant in this state unless
4 the dairy plant, and the equipment, water supply and plumbing
5 system connected therewith shall have been first approved by the
6 commissioner and a permit issued to operate the same. At the
7 time of filing the application for a permit, the applicant shall
8 submit to the commissioner duplicate floor plans of such plant
9 which shall show the placement of equipment, the source of water
10 supply and method of distribution, and the location of the
11 plumbing system, including the disposal of wastes. All new
12 construction or alteration of any existing dairy plants shall be
13 made only with the approval of the commissioner and duplicate
14 plans for such construction or alteration shall be submitted to
15 ~~him~~ the commissioner for approval. Any permit may be revoked by
16 the commissioner for due cause after the holder of the permit
17 has been given the opportunity for a hearing, in which case the
18 holder of the permit shall be notified in writing, at least
19 seven days prior to the date of such hearing, of the time and
20 place of such hearing.

032*#393S

21 32.393 LIMITATION ON SALE.

22 Subdivision 1. PASTEURIZATION. No milk, fluid milk
23 products, or goat milk shall be sold, advertised, offered or
24 exposed for sale or held in possession for sale for the purpose
25 of human consumption in fluid form in this state unless the same
26 has been pasteurized and cooled, as defined in section 32.391;
27 provided, that this section shall not apply to milk, cream, skim
28 milk, or goat milk occasionally secured or purchased for ~~his~~
29 personal use by any consumer at the place or farm where the milk
30 is produced.

31 No change for subd 2

032*#394S

32 32.394 GRADE A PASTEURIZED MILK.

33 No change for subd 1 to 4

34 Subd. 5. No person shall sell, offer or expose for sale,
35 any milk, milk products or goat milk labeled Grade A, unless the
36 milk, milk products or goat milk have been produced and
37 processed in accordance with the requirements of Minnesota law
38 and regulation. Any processor desiring to use the Grade A label
39 on milk, milk products or goat milk shall make application for a
40 permit to the commissioner on a form prescribed and furnished by
41 the commissioner. The permit shall be issued by the
42 commissioner when ~~he~~ the commissioner has determined that the
43 applicant has complied with the requirements of Minnesota law
44 and regulation. Permits shall not be transferable with respect
45 to person or location. A permit may be suspended by the
46 commissioner upon failure by the holder of the permit to comply
47 with any of the terms of Minnesota law and regulation or for
48 interference with inspection, and may be revoked by the
49 commissioner for due cause after the holder of the permit has
50 been given the opportunity for a hearing, in which case the
51 holder of the permit shall be given a notice in writing of the
52 time and place of such hearing at least seven days before the
53 date of such hearing.

54 Subd. 6. To assure compliance with the laws and
55 regulations governing the production, handling, processing, and
56 sale of Grade A milk, Grade A milk products and Grade A goat
57 milk, the commissioner is hereby authorized to provide a service
58 to be performed by trained and duly qualified milk sanitarians,
59 for the inspection of such milk, milk products and goat milk,
60 and of the premises and plants where such milk, milk products
61 and goat milk are produced, handled and processed. Such service
62 shall be for acquainting the processor and producers with the
63 requirements for a Grade A milk supply, for preliminary
64 inspection to determine if a processor has brought ~~his~~ the
65 processor's farms and plant to the state of compliance which
66 will qualify ~~his~~ the processor's products for the Grade A label,
67 and for continuous inspection to assure that any farms and
68 plants so accepted and all products therefrom so labeled shall
69 remain in compliance. Said Grade A processor shall provide a
70 continuous field service to assist the producers, who sell their
71 milk to ~~his~~ the processor's plant, to attain and to maintain
72 compliance with Grade A requirements. Any person who performs
73 such field service for such Grade A processor first shall obtain

1 a permit therefor from the commissioner. Any person desiring to
 2 secure such permit shall make application therefor on a form
 3 provided by the commissioner, and before a permit is issued the
 4 commissioner shall determine that the applicant is competent and
 5 qualified to perform such field service. Said permit shall not
 6 be transferable and may be revoked for due cause after the
 7 holder of the permit has been given the opportunity for a
 8 hearing in which case the holder of the permit shall be given a
 9 notice in writing of the time and place of such hearing at least
 10 seven days before the date of such hearing.

11 No change for subd 7

12 Subd. 8. EXPLORATORY PRELIMINARY INSPECTIONS. Any
 13 processor of milk, milk products, or goat milk who wishes
 14 to learn about and acquaint himself-and-his producers with Grade *
 15 A requirements may make a request to the commissioner for
 16 exploratory inspections and meetings for this purpose. Upon *
 17 receipt of such request, the commissioner at his-convenience a *
 18 convenient time shall cause such exploratory inspections to be *
 19 made and such meetings to be held as are necessary to acquaint
 20 said processor and producers with such requirements. If, after
 21 such exploratory inspections are made and such meetings are held
 22 and when in his the processor's opinion his the processor's *
 23 field service has brought his producers into compliance with *
 24 said requirements, said processor wishes to-avail-himself-of *
 25 further inspection service, he the processor shall so apply on a *
 26 form furnished by the commissioner, stating the number of farms
 27 to be inspected. Such applications shall be accompanied by a
 28 fee payable to the state treasurer in an amount of not less than
 29 \$50 and not more than \$300, which fee is to be charged for
 30 preliminary inspection prior to continuous inspection, and
 31 assessments over \$50 are to be determined by charging \$1 for
 32 each farm over 50, but shall not exceed \$300 if more than 300
 33 farms are inspected; provided that, if the plant and farms are
 34 accepted for continuous inspection, this charge shall be made
 35 only once. If the preliminary inspection discloses that the
 36 processor is eligible for use of the Grade A label on his *
 37 products and before he the processor so labels said products, he *
 38 the processor shall apply for continuous inspection on a form *
 39 furnished by the commissioner and shall hold a Grade A permit.
 40 Such application shall be accompanied by a fee of not less than
 41 \$100 nor more than \$500 per plant and of not less than \$15 nor
 42 more than \$50 per farm, said fee to be paid annually by the
 43 processor. If the commissioner as-he deems it necessary to more *
 44 nearly meet the cost of the service, annually the commissioner *
 45 may annually adjust the assessments within the limits set herein. *

46 No change for subd 8a

47 Subd. 8b. A processor of milk, milk products or goat milk,
 48 other than Grade A, who wishes to obtain farm certification,
 49 shall make a request to the commissioner for a farm
 50 certification inspection. A processor who requests and receives
 51 a farm certification inspection shall pay a fee to the
 52 commissioner for the certification of his the milk supply. The *
 53 fee shall be set by the commissioner in an amount necessary to
 54 meet the cost of the service for farm certification, which fee
 55 shall not exceed 50 percent of the fees charged for Grade A
 56 permits.

57 No change for subd 9

032*#395S

58 32.395 MILK OTHER THAN GRADE A.

59 No change for subd 1 to 3

60 Subd. 4. The commissioner in-his-discretion may authorize, *
 61 in respect to raw milk or raw goat milk for pasteurization
 62 purposes, any other method or methods of determining bacterial
 63 count.

032*#411S

64 32.411 UNIFORM QUALITY STANDARDS FOR MILK, CREAM, FLUID
 65 MILK PRODUCTS.

66 No change for subd 1 to 4

67 Subd. 5. PENALTY. Any licensed purchaser of milk,
 68 cream, or fluid milk products who neglects to furnish to any
 69 milk or cream producer upon his written request a copy of his a *
 70 record of quality tests and farm inspections, or any licensed
 71 purchaser or producer who fails to comply with this section, is
 72 guilty of a misdemeanor.

73 No change for subd 6

032*#486S

1 32.486 MINNESOTA FARMSTEAD CHEESE.
 2 No change for subd 1
 3 Subd. 2. USE OF NAME RESTRICTED. No cheese or
 4 packaged cheese that is sold, offered, or exposed for sale or
 5 held in possession with intent to sell at either retail or
 6 wholesale within this state may be labelled or described as
 7 "Minnesota farmstead cheese" unless it meets the criteria set
 8 forth in subdivision 1, and the manufacturer has obtained a
 9 written permit to use the name from the commissioner of
 10 agriculture, or ~~his~~ the commissioner's designate.

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11 Subd. 3. PERMIT. The commissioner or ~~his~~ the
 12 commissioner's designate shall issue a permit authorizing the
 13 use of the name "Minnesota farmstead cheese" upon application
 14 made therefor on forms furnished by the commissioner, if the
 15 commissioner or ~~his~~ the commissioner's designate is satisfied
 16 that the cheese manufactured by the applicant meets the
 17 requirements prescribed by subdivision 1. The commissioner
 18 or ~~his~~ the commissioner's designated agents shall inspect the
 19 farm at reasonable times to insure compliance with subdivision 1.
 20 The permit may be suspended or revoked by the commissioner if ~~he~~
 21 the commissioner finds that the permittee is not in compliance
 22 with subdivision 1.

032*#5311S

23 32.5311 ARTIFICIAL DAIRY PRODUCTS, RESTRICTIONS AS TO
 24 MANUFACTURE, SALE, OR EXCHANGE.

25 Subdivision 1. UNLAWFUL ACT. It is unlawful for any
 26 person, firm or corporation, ~~by himself or itself, his or its~~
 27 directly or through an employee or agent, or as the employee or
 28 agent of another, to knowingly manufacture, sell, exchange, or
 29 possess an artificial dairy product which does not adhere to the
 30 labeling requirements for artificial dairy products in
 31 subdivisions 2 to 5.

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32 No change for subd 2 to 5

032*#532S

33 32.532 ENFORCEMENT.

34 The commissioner is authorized and directed to administer
 35 and supervise the enforcement of sections 32.53 to 32.534; to
 36 provide for such periodic inspections and investigations as ~~he~~
 37 the commissioner may deem necessary to disclose violations; to
 38 receive and provide for the investigation of complaints; and to
 39 provide for the institution and prosecution of civil or criminal
 40 actions or both. The provisions of these sections may be
 41 enforced by injunction in any court having jurisdiction to grant
 42 injunctive relief. Artificial dairy products involved in a
 43 violation of these sections are subject to seizure and
 44 disposition in accordance with an appropriate court order or a
 45 rule adopted by the commissioner. The commissioner may adopt
 46 emergency or permanent rules necessary to implement and
 47 administer sections 32.53 to 32.534.

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032*#534S

48 32.534 PENALTY.

49 Any person, whether individually or as a member or employee
 50 of a partnership, or as an officer, agent, or employee of a
 51 corporation who directs or knowingly permits any violation of
 52 any of the provisions of sections 32.53 to 32.534, or who aids
 53 or assists therein, either on ~~his~~ the person's own behalf or in
 54 the interests of ~~his~~ the person's employer or principal shall,
 55 upon the first conviction thereof, be subject to a fine of not
 56 more than \$100, or to imprisonment in the county jail for not
 57 more than 30 days, or both; and upon each subsequent conviction
 58 thereof, shall be subject to a fine of not less than \$3,000 nor
 59 more than \$10,000, or to imprisonment in the county jail for not
 60 less than six months nor more than one year, or both.

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032A#02S

61 32A.02 PUBLIC POLICY.

62 It is hereby declared to be the policy of the legislature,
 63 recognizing that "selected dairy products," as herein defined,
 64 are important sources of revenue to a large number of citizens
 65 of this state engaged in producing, processing, manufacturing or
 66 selling such products and are important items of food essential
 67 to the health and welfare of the people of this state and that
 68 certain trade practices have developed within this state in the
 69 sale and distribution of such products which result in unfair
 70 competition and upset the orderly marketing of such products,
 71 causing financial loss to the producers in this state of the
 72 milk or cream used in "selected dairy products," to protect the

1 health and welfare of our people and to preserve the traditional
2 markets and outlets for our producers of such milk or cream and
3 to restore the orderly marketing in this state of "selected
4 dairy products" and to eliminate certain trade and marketing
5 practices which are done with the intent of or have the effect
6 of destroying, lessening or restraining competition or injuring
7 one or more competitors or injuring one or more persons dealing
8 in "selected dairy products" or impairing or preventing fair
9 competition in the sale of "selected dairy products", to prevent
10 disturbances in the dairy products industry which threaten to
11 destroy or seriously impair the supply of dairy products; and to
12 develop and maintain satisfactory marketing conditions and bring
13 a reasonable amount of stability and prosperity in the
14 production and marketing of "selected dairy products", and to
15 assure the producer a reasonable return for ~~his~~ the product, and *
16 to eliminate discriminatory practices against independent
17 merchants and other retailers in the sale of "selected dairy
18 products". All of the provisions of sections 32A.01 to 32A.09
19 shall be liberally construed to achieve these ends and
20 administered and enforced with a view to carrying out the above
21 declaration of policy.

032A#03S

22 32A.03 DEFINITIONS.

23 No change for subd 1 to 6

24 Subd. 7. "Manufacturer" means any person doing business in
25 this state engaged in the manufacturing or processing of a
26 selected dairy product in ~~his or its~~ the person's own plant for *
27 sale in this state, but shall not include a producer selling or
28 delivering milk or cream to a distributor or manufacturer.

29 No change for subd 8 to 14

032A#04S

30 32A.04 UNFAIR PRACTICES.

31 Subdivision 1. No manufacturer, distributor or wholesaler,
32 either directly or indirectly, or through a subsidiary or
33 affiliate corporation, or by an officer, director, stockholder,
34 employee, partner, agent or representative thereof, shall, for
35 the purpose or with the effect of restraining, lessening or
36 destroying competition or injuring one or more competitors or
37 injuring one or more persons dealing in "selected dairy
38 products" or to impair or prevent fair competition in the sale
39 of selected dairy products to retailers in this state, engage in
40 or threaten to engage in any of the trade practices or methods
41 of doing business described in this section. Proof that any
42 person has engaged in any of the trade practices or methods of
43 doing business described in this section shall be prima facie
44 evidence of an intent to violate or that it has the effect of
45 violating the provisions of this section.

46 a. Own, control or have any greater financial interest
47 than five percent in any retail business selling or offering for
48 sale any selected dairy product in this state unless the
49 business name, address, nature and extent of ownership or
50 control of such retail business by such manufacturer,
51 distributor, or wholesaler shall be prominently displayed at all
52 times at the main public entrance to the premises where such
53 business is being conducted in type not less than 24-point
54 Gothic capitals.

55 b. Purchase any real or personal property from a retailer
56 and lease-back or resell such property to the retailer under a
57 deferred payment contract except as follows:

58 1. A written lease signed by both parties thereto
59 specifying (a) the rental which shall be consistent with the
60 value of like property in the locality where the retailer is
61 located at the time the lease is executed, and (b) containing
62 other terms and conditions consistent with leases of like
63 property in that locality made at or about the same time by
64 persons not having the relationship existing between the
65 retailer, as the purchaser, and the lessor, as the seller, of a
66 selected dairy product.

67 2. A written contract for the sale of such property signed
68 by both parties thereto specifying (a) the purchase price which
69 shall be consistent with the fair market value of like property
70 in the locality where the retailer is located at the time the
71 contract is executed, (b) the down payment on such purchase
72 price, (c) the periodic payments on the unpaid balance thereof,
73 and (d) containing other terms and conditions consistent with
74 contracts of sale of like property in that locality made at or

1 about the same time by persons not having the relationship
2 existing between the retailer, as the purchaser, and the vendor,
3 as the seller, of a selected dairy product.

4 No contract or agreement for the lease-back or resale to a
5 retailer of any property purchased from such retailer by the
6 wholesaler, manufacturer or distributor shall contain any
7 requirement that the retailer shall purchase any selected dairy
8 product from the other party to the contract for sale or the
9 lease, or from any manufacturer, wholesaler or distributor.

10 c. Give, lend, or advance any money, credit or other thing
11 of value to a retailer or to any person for the benefit or
12 relief of a retailer, or furnish, give, lend, lease, or sell to
13 a retailer any furniture, fixtures, fittings, or equipment, as
14 an incentive or inducement to such retailer to purchase, handle,
15 store, display, sell or trade in, any one or more selected dairy
16 products of any manufacturer, wholesaler, or distributor.
17 Nothing herein shall prevent any sale of furniture, trade
18 fixtures, or equipment to a retailer in accordance with section
19 32A.07, subdivision 1 (a) or the placing of refrigeration
20 facilities on the premises of a retailer in accordance with
21 section 32A.08, subdivision 2.

22 d. Provide, pay for, guarantee, or in any other manner,
23 directly or indirectly, assume, satisfy or discharge the cost or
24 obligation of a retailer for painting, decorating, improving,
25 repairing or rebuilding any existing billboard, outdoor sign,
26 display area, wall, fence, building or structure, or any other
27 type of outdoor display advertising having a fixed location, or
28 build, construct, erect, or purchase any new billboard, outdoor
29 sign, or other outdoor advertising having a fixed location, or
30 any structure or facility for use as an outdoor display for the
31 direct benefit of a retailer except that if no reference is made
32 to any retailer, a manufacturer, wholesaler, or distributor may
33 engage in all forms of outdoor advertising to advertise one or
34 more selected dairy products which he that person manufactures,
35 processes or distributes. *

36 e. Have any interest in or pay for any license for a
37 retailer or advance, furnish, lend or give money for the payment
38 of any license fee for a retailer or any expense incident to the
39 obtaining of any such license, except that a manufacturer,
40 wholesaler, or distributor may purchase in his that person's own
41 name any license required by law for the sale of his that
42 person's selected dairy products in this state or any
43 municipality therein. *
*
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44 f. Become bound in any manner for the repayment of any
45 loan of money or the fulfillment of any financial obligation of
46 any retailer.

47 g. Extend or give any additional credit to a retailer at a
48 time when there has been due from such retailer for more than 15
49 days from the end of the month of the day in which delivery was
50 made, any indebtedness arising out of the delivery to him the
51 retailer of selected dairy products. *
*

52 h. Furnish and maintain inside signs of a permanent nature
53 unless such signs are used only for advertising or promoting one
54 or more selected dairy products manufactured, distributed or
55 sold by the person furnishing such sign, or items of food made
56 principally from a selected dairy product so advertised or the
57 brand name of the selected dairy product so advertised, or any
58 combination thereof. The furnishing of "point of sale"
59 advertising material made of paper or other like materials to a
60 retailer free of charge for the sole purpose of promoting the
61 sale of a selected dairy product of the person furnishing the
62 same shall not constitute a violation of sections 32A.01 to
63 32A.09.

64 i. Furnish, give, lend, finance, pay for, contribute to or
65 by any other means, scheme or device, participate in cooperative
66 advertising using newspapers, radio, television or any other
67 advertising media if any retailer selling, handling or offering
68 for sale any selected dairy product of such manufacturer,
69 wholesaler or distributor is named or otherwise identified or
70 referred to in such advertising, except that a manufacturer,
71 wholesaler or distributor may purchase and pay for such lineage
72 or space actually used in advertising one or more of his-or-its
73 that person's selected dairy products in a newspaper
74 advertisement, handbill or other form of printed advertising put
75 out by a retailer or for the time actually so used in any radio
76 or television program sponsored by a retailer. *

1 j. Pay, loan or give money, credit, compensation, or
 2 anything of value to a retailer for the privilege of placing a
 3 sign, advertisement or other sales promotion material in or upon
 4 the premises of the retailer, or for storing, advertising, or
 5 displaying any selected dairy product in connection with its
 6 sale or promotion (except that a manufacturer, wholesaler or
 7 distributor may furnish paint and maintain an insulated truck
 8 body used exclusively in the sale and delivery of ~~his or its~~
 9 that person's selected dairy products by the person making
 10 retail sales thereof).

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11 k. No wholesaler, manufacturer, or distributor shall
 12 credit to the account of or pay any retailer for any selected
 13 dairy product which the retailer claims to have become stale,
 14 spoiled or otherwise unsaleable unless the particular product
 15 for which such credit or payment is sought is in fact spoiled or
 16 otherwise unsaleable.

17 l. In connection with any sale to a distributor or
 18 retailer in this state of a selected dairy product, make or
 19 offer to make any gift of money, merchandise, trading stamps,
 20 coupons, service, supplies, or anything of value, or to grant or
 21 offer to grant any rebate, discount, or advertising allowance
 22 other than as expressly permitted by sections 32A.01 to 32A.09.

23 m. Charge a combined price for any selected dairy product
 24 together with another commodity or a service which is less or is
 25 represented to be less than the aggregate of the price of the
 26 particular selected dairy product and the price or value of such
 27 other commodity or service when sold or offered for sale
 28 separately, or from otherwise applying or attempting to apply
 29 any method or device in the sale or distribution of a selected
 30 dairy product intending to defeat the policy of sections 32A.01
 31 to 32A.09 or to defeat or evade any provision of sections 32A.01
 32 to 32A.09 or any order, ruling or regulation issued by the
 33 commissioner thereunder.

34 n. Engage in the business of a wholesaler, manufacturer,
 35 or distributor selling or offering for sale selected dairy
 36 products at wholesale to retailers while at the same time being
 37 engaged in the business of hauling, handling, or delivering
 38 selected dairy products to a retailer for a fee, for ~~himself~~
 39 that or another wholesaler, manufacturer, or distributor, where
 40 said business results in a sale of a "selected dairy product" at
 41 wholesale to a retailer at a price lower than said retailer
 42 could legally obtain from the wholesaler, manufacturer or
 43 retailer first involved.

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44 o. The provisions of section 325D.04, shall apply to and
 45 include a manufacturer of any selected dairy product. No
 46 manufacturer, wholesaler, distributor or retailer of a selected
 47 dairy product engaged in business within this state shall sell,
 48 offer for sale or advertise for sale any selected dairy product
 49 below "cost" as that term is defined in section 325D.01 or give,
 50 offer to give, or advertise the intent to give away any selected
 51 dairy product for the purpose or with the effect of violating
 52 sections 32A.04, 32A.07, 325D.03, 325D.04, and 325D.06. The
 53 prima facie rule of evidence provisions of this section and
 54 325D.06 shall apply to any such violation. And it is the
 55 legislative intent that the provisions for relief set forth in
 56 section 32A.09 shall apply to any legal action under this
 57 paragraph.

58 No change for subd 2

032A#05S

59 32A.05 DEPARTMENT OF AGRICULTURE, POWERS.

60 No change for subd 1

61 Subd. 3. The commissioner is authorized and empowered to
 62 call together manufacturers, distributors, wholesalers,
 63 retailers and producers of selected dairy products manufactured,
 64 processed, produced or sold in this state for the purpose of
 65 inquiry into trade practices prevailing from time to time in
 66 this state, and if need be, to conduct hearings in connection
 67 with such trade practices for the purpose of making findings
 68 relative to any trade practice found to exist within this state
 69 involving the manufacture, sale or distribution of any selected
 70 dairy product covered by sections 32A.01 to 32A.09, and
 71 thereafter to promulgate rules or regulations for the
 72 elimination of any trade practice found to be contrary to the
 73 provisions of sections 32A.01 to 32A.09. All such rules and
 74 regulations shall be adopted and all such hearings shall be held
 75 in the manner provided by law; and for the purpose of any such

1 hearing the commissioner shall have the power to subpoena
 2 witnesses and otherwise require as provided by law the
 3 production of evidence, either oral or written, respecting the
 4 subject matter of the particular hearing, but no person or
 5 witness in any such hearing so conducted shall be subject to any
 6 penalty for or on account of any transaction, matter or thing
 7 concerning which ~~he~~ the person or witness may be thus required *
 8 to testify or produce evidence, documentary or otherwise.

9 In addition to the powers and duties set forth above,
 10 whenever the commissioner or ~~his~~ the commissioner's duly *
 11 authorized agent have good reason to believe that the testimony
 12 of any person who is a party or who has information pertaining
 13 to any transaction prohibited by sections 32A.01 to 32A.09, and
 14 acts amendatory thereof or the books of account or other
 15 business records of any such person is material or pertinent to
 16 any inquiry of prevailing trade practices, authorized department
 17 investigation, or administrative enforcement proceeding
 18 commenced pursuant to the authority contained in section 32A.09,
 19 the commissioner or ~~his~~ the commissioner's duly authorized agent *
 20 shall have the power to issue subpoenas to take the testimony
 21 under oath of any such person and to have such person
 22 produce ~~his~~ books of account or other business records material *
 23 or pertinent to such inquiry, investigation, or administrative
 24 enforcement proceeding, for examination by the commissioner
 25 or ~~his~~ the commissioner's authorized agent at all reasonable *
 26 times.

27 If a person fails or refuses to obey a subpoena issued, the
 28 commissioner may apply to district court to issue an order
 29 requiring the person to appear before the department to produce
 30 evidence or to give testimony concerning the matter under
 31 inquiry, investigation, or administrative process. The
 32 application for the order shall be filed with the district court
 33 having jurisdiction in the area of residence, principal place of
 34 business, or registered office of the person involved. Any
 35 person failing to obey an order of the district court shall be
 36 punished by the district court under existing laws of contempt.

37 Subd. 4. For the purpose of administering and enforcing
 38 the provisions of sections 32A.01 to 32A.09, each first
 39 manufacturer subject to sections 32A.01 to 32A.09 shall pay to
 40 the commissioner a fee of one cent per cwt. on all milk
 41 processed or used in the manufacture of a selected dairy product
 42 sold in this state or manufactured in this state for sale
 43 therein except frozen foods on which the fee shall be
 44 three-quarters of a cent on each gallon of frozen foods sold in
 45 this state or manufactured in this state for sale therein. For
 46 ice milk mix the fee shall be one and one-twentieth of a cent on
 47 each gallon of mix. For ice cream mix the fee shall be one and
 48 seventeen-fortieths of a cent on each gallon of mix. Such fees
 49 shall be the maximum fees. The commissioner may fix such fees
 50 at a lesser amount and may adjust such fees from time to time
 51 whenever ~~he~~ the commissioner finds that the cost of *
 52 administering and enforcing the provisions of sections 32A.01 to
 53 32A.09 can be defrayed with such below maximum fees. The fees
 54 thus computed shall be paid by the manufacturer to the
 55 commissioner on or before the 15th day of the month following
 56 the month in which such frozen foods were sold in this state or
 57 a selected dairy product manufactured in this state from such
 58 milk was sold therein. Provided, however, that when the amount
 59 of the fees so computed does not exceed \$60 annually, these fees
 60 shall be paid within 30 days following the end of the calendar
 61 year. When fees are under \$240 annually, payment shall be made
 62 quarterly within 30 days following the end of the quarter. All
 63 fees over \$240 annually shall be paid monthly within 30 days
 64 following the end of the month when due. A penalty amounting to
 65 10 percent of the fees then due shall be imposed by the
 66 commissioner for each month for which such fees are delinquent.
 67 The amounts so received by the commissioner shall be deposited
 68 with the state treasurer and shall constitute a separate account
 69 to be known as the "Dairy Industry Unfair Trade Practices
 70 Account" which is hereby created, set aside and appropriated as
 71 a revolving fund to be used to defray the cost of administering
 72 and enforcing sections 32A.01 to 32A.09.

032A#08S

73 32A.08 CERTAIN ACTS OF WHOLESALERS, MANUFACTURERS OR
 74 DISTRIBUTORS FORBIDDEN.

75 No change for subd 1

1 Subd. 2. Nothing in this section or in sections 32A.01 to
 2 32A.09 shall be construed to prohibit or prevent a manufacturer,
 3 wholesaler or distributor from placing ~~his~~ refrigeration or
 4 storage facilities on the premises of any retailer and
 5 maintaining the same without payment or charge to the retailer
 6 so long as such refrigeration or storage facilities are used
 7 exclusively for the storage and preservation of selected dairy
 8 products manufactured or sold by the manufacturer, wholesaler or
 9 distributor furnishing such refrigeration or storage facilities
 10 and they are not used by the retailer or anyone else to sell or
 11 offer for sale at retail any of the selected dairy products
 12 stored or placed therein.

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032A#09S

13 32A.09 REDRESS FOR INJURIES.

14 Subdivision 1. Any person who shall be injured in ~~his~~
 15 business or property by reason of anything forbidden by sections
 16 32A.01 to 32A.09, shall be entitled to sue therefor in any court
 17 of competent jurisdiction and shall be entitled to recover three
 18 fold the damage ~~by-him~~ sustained and the costs of suit,
 19 including reasonable attorneys fees. Any person injured or who
 20 is threatened with injury or loss by reason of anything
 21 forbidden by sections 32A.01 to 32A.09, shall be entitled to sue
 22 for and have injunctive relief in any court of competent
 23 jurisdiction against all persons involved in any violation or
 24 threatened violation of sections 32A.01 to 32A.09, and acts
 25 amendatory thereof, to prevent and restrain violations or
 26 threatened violations thereof without alleging or proving actual
 27 damages or that an adequate remedy at law does not exist, so
 28 that injunctive relief can be obtained promptly without awaiting
 29 injury or actual damage. Such injunctive relief shall not
 30 abridge or be in lieu of any other civil remedy provided in
 31 sections 32A.01 to 32A.09.

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32 No change for subd 2 to 4

33 Subd. 5. HEARING; ORDER; APPEAL. (a) Whenever the
 34 commissioner has reason to believe that any person is violating
 35 any of the provisions of sections 32A.01 to 32A.09, or any
 36 promulgated rule, and it appears to the commissioner that action
 37 is warranted, he the commissioner shall serve upon the person a
 38 complaint stating ~~his~~ the charges. The complaint shall contain
 39 a notice of hearing upon a day and at a place fixed at least 20
 40 days after the service of the complaint. The person complained
 41 of has the right to appear at the place and time fixed and show
 42 cause why an order should not be entered by the commissioner
 43 requiring the person to cease and desist from the violation of
 44 the law charged in the complaint. Any person may apply, and
 45 upon good cause shown, be allowed by the commissioner to
 46 intervene and appear in the proceeding by counsel or in person.
 47 The testimony in the proceeding shall be reduced to writing and
 48 filed in the office of the commissioner. If, upon hearing, the
 49 commissioner is of the opinion that there has been a violation
 50 of any of the provisions of sections 32A.01 to 32A.09, or any
 51 promulgated rule, he the commissioner shall make a report in
 52 writing ~~in-which-he-shall-state-his~~ stating findings as to the
 53 facts. He The commissioner shall issue and cause to be served
 54 upon the person an order requiring the person to cease and
 55 desist from the violation. The commissioner may at any time
 56 after notice and opportunity for hearing, reopen and alter,
 57 modify or set aside, in whole or in part, any order issued by
 58 ~~him~~ under this section, whenever he the commissioner believes
 59 conditions justify it.

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60 (b) Any person required by an order of the commissioner to
 61 cease and desist from any act or practice may obtain a review of
 62 the order in district court by filing in the court, within 20
 63 days from the date of service of the order a written petition
 64 praying that the order of the commissioner be set aside. A copy
 65 of the petition shall be served upon the commissioner. The
 66 commissioner shall then certify and file in the court a
 67 transcript of the entire record and order of the commissioner.
 68 Upon the filing of the petition and transcript, the court has
 69 jurisdiction of the proceeding and of the question determined.
 70 The court may (1) make and enter upon the pleadings, evidence
 71 and proceedings set forth in the transcript a decree, affirming,
 72 modifying, or setting aside the order of the commissioner or
 73 enforcing it to the extent that the order is affirmed, and (2)
 74 issue writs ancillary to its jurisdiction or necessary in its
 75 judgment to prevent injury to the public or to competitors

1 pendente lite. The findings of the commissioner as to the
 2 facts, if supported by the evidence in the proceeding before the
 3 commissioner, are conclusive. To the extent that the order of
 4 the commissioner is affirmed, the court shall issue its own
 5 order commanding obedience to the terms of the order of the
 6 commissioner. If either party applies to the court for leave to
 7 adduce additional evidence, and shows to the satisfaction of the
 8 court that the additional evidence is material and that there
 9 were reasonable grounds for the failure to adduce the evidence
 10 in the proceeding before the commissioner, the court may order
 11 that the additional evidence be taken before the commissioner.
 12 The evidence shall be adduced upon the hearing in the manner and
 13 upon the terms and conditions as the court deems proper. The
 14 commissioner may modify ~~his~~ findings as to the facts, or make
 15 new findings, by reason of the additional evidence taken. He
 16 The commissioner shall file the modified or new findings which,
 17 if supported by the evidence, shall be conclusive and ~~his~~ the
 18 commissioner's recommendation, if any, for the modification or
 19 setting aside of ~~his~~ the original order with the return of the
 20 additional evidence. The judgment and decree of the court shall
 21 be final, except that it is subject to review by the court of
 22 appeals.

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23 (c) Violations of any cease and desist order of the
 24 commissioner shall be punished by the district court under the
 25 laws of contempt. Each day of failure to obey a cease and
 26 desist order of the commissioner may be deemed a separate
 27 violation and each violation of a particular act enjoined by the
 28 court may be deemed a separate violation.

29 Subd. 6. The commissioner may impose a penalty upon any
 30 person, whether or not licensed by the department in any of its
 31 areas of jurisdiction which in any way involve the handling,
 32 processing, distributing, and selling of selected dairy
 33 products, if the person is found to be in violation of the
 34 provisions of this dairy industry unfair trade practices act.

35 Whenever the commissioner has reason to believe that the
 36 person has violated the act and it appears that a proceeding
 37 should be held to determine whether a penalty should be imposed
 38 the commissioner shall serve notice on such person in writing by
 39 certified mail of the charges and grounds on which a penalty is
 40 sought to be imposed and of the time and place, not less than
 41 ten days after the mailing of a notice, at which a hearing shall
 42 be held to determine whether to impose a penalty. Any person
 43 upon whom a penalty is sought to be imposed shall have full
 44 right to counsel and to produce witnesses ~~in-his-behalf~~ at the
 45 hearing. After full investigation and hearing the commissioner
 46 may upon proof of a first violation impose a penalty of not less
 47 than \$50 nor more than \$100 for each act in violation. However,
 48 in no event shall the penalty exceed \$1,000. Upon proof of a
 49 second violation the commissioner may impose a penalty of not
 50 less than \$100 or more than \$500 for each act in violation.
 51 However, the maximum penalty imposed shall not exceed \$5,000.
 52 Upon proof of a third violation the penalty provisions
 53 applicable upon proof of a second violation shall apply.

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54 The commissioner shall by certified mail or by personal
 55 service notify the person upon whom a penalty has been imposed,
 56 setting forth the reasons for the decision. The imposition of
 57 penalty shall become effective 30 days after the mailing or
 58 service in person of the notification unless that person
 59 complies with the provisions of sections 14.63 to 14.68,
 60 providing for a procedure for judicial review of the
 61 determination in the district court. In addition to the
 62 provisions contained therein, the person may petition to the
 63 district court that the review procedure shall be by trial de
 64 novo.

65 Imposition of any penalties under this section shall be
 66 construed as civil and not criminal in nature.

67 Any amounts received by the commissioner as a result of the
 68 imposition of penalties under this provision shall be deposited
 69 with the state treasurer and shall be placed in the "dairy
 70 industry unfair trade practices account."

033*#03S

71 33.03 IMITATION BUTTER FLAVORING; LABELING RESTRICTIONS.
 72 No person shall, by-himself directly or through an agent,
 73 or as a servant or agent of another, manufacture, sell,
 74 distribute, offer or expose for sale or distribution in the
 75 state, or have-in-his-possession possess with intent to use,

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*

1 sell, or exchange, any article of food prepared with or
 2 containing artificial or imitation flavoring of butter and
 3 labeled or represented with the words "butter", "buttered",
 4 "butter flavored", or any combination of words, symbols,
 5 letters, or designs which are misleading in that it implies a
 6 quality or character to the food which is false or misleading in
 7 any particular. Compound foods containing such artificial or
 8 imitation flavor shall be labeled to declare the presence of
 9 said flavor only as "artificial flavor added" or "with
 10 artificial flavor" and shall not contain any other descriptive
 11 statements or claims regarding said flavor. Provided that food
 12 flavors or extracts contained in package form shall be labeled
 13 in accordance with mandatory labeling requirements of the
 14 Commissioner of Food and Drugs of the United States Department
 15 of Health, Education and Welfare.

033*#09S

16 33.09 OLEOMARGARINE, SERVING AS BUTTER.

17 It shall be unlawful for the proprietor of any hotel,
 18 dining room, dining car, drinking place, cafe, bakery, boat,
 19 lumber camp, mining camp, railroad camp, boarding house, or
 20 hospital, or any place where guests, boarders, or patients are
 21 served with food for pay, or for any managing agent or servant
 22 of such proprietor, to serve as or for butter, or as a
 23 substitute thereof, any oleaginous substance or compound other
 24 than that produced wholly from pure, unadulterated milk or
 25 cream, unless ~~he or they shall cause to be~~ there is plainly *
 26 printed in English upon every bill of fare, if one be used, and
 27 in letters not smaller than eight-point bold-faced Gothic
 28 capitals, the words "oleomargarine used in place of butter," and
 29 in case no bill of fare be used, the manager or person in charge
 30 of the establishment shall cause to be posted upon each side of
 31 the dining car or eating room, in a conspicuous position and in
 32 letters large enough to be distinctly seen and read from all
 33 parts of the room, placards containing on the face thereof the
 34 words, in the English language, "oleomargarine used in place of
 35 butter," and such person shall keep such placards continuously
 36 posted, as long as such butter substitute be kept or used.

034*#05S

37 34.05 REGISTRATION BY NONRESIDENT MANUFACTURERS AND
38 DISTRIBUTORS.

39 Subdivision 1. APPLICATION. Any person who
 40 distributes soft drinks or other nonalcoholic beverages
 41 manufactured outside of this state, for sale within this state,
 42 shall apply for registration with the commissioner in the form
 43 and accompanied by information the commissioner requires.
 44 Samples of all soft drinks or other nonalcoholic beverages
 45 manufactured for sale and sold within this state must be
 46 submitted to the commissioner once each year for laboratory
 47 examination. Each application must be accompanied by a
 48 registration fee set in accordance with section 28A.05, clause
 49 (c), which is the registration fee in case registration is
 50 granted, and one-half of which may be retained to reimburse the
 51 state for inspection if registration is refused. ~~if the~~ *
 52 ~~commissioner finds~~ Upon finding that the samples submitted are *
 53 up to accepted standards and otherwise comply with the laws of *
 54 this state, ~~he~~ the commissioner shall issue to the applicant a *
 55 certificate of registration.

56 Subd. 2. Repealed, 1980 c 411 s 2

034*#07S

57 34.07 BEVERAGE INSPECTION FUND.

58 All fees collected hereunder by the commissioner, together
 59 with all fines paid for the violation of the provisions of
 60 sections 34.02 to 34.11, shall be paid into the state treasury
 61 and credited to the beverage inspection fund, hereby created.
 62 The money so derived is hereby appropriated to compensate for
 63 and meet the expense of inspection and supervision, as provided
 64 for in sections 34.02 to 34.11. The money so collected and
 65 appropriated shall be expended by the commissioner for
 66 inspection, supervisions, publications, short courses, and such *
 67 other activities as in ~~his~~ the commissioner's judgment may be
 68 necessary, not inconsistent with the provisions of sections
 69 34.02 to 34.11.

034*#11S

70 34.11 RESTRICTIONS ON USE OF TRADE NAMES.

71 No person shall label or represent ~~his~~ soft drinks or *
 72 non-alcoholic beverages by using any trademark, trade name or

1 proprietary name other than one owned by ~~him~~ the person, unless *
2 the soft drink or beverage is marketed or sold under franchise,
3 license, permit or contract with the owner or holder of the
4 trademark, trade name or proprietary name.

034*#112S

5 34.112 ENFORCEMENT.

6 The commissioner, ~~his~~ and the commissioner's inspectors, *
7 assistants, and employees, shall enforce the provisions of
8 sections 34.02 to 34.11.

035*#74S

9 35.74 EXCEPTIONS.

10 Sections 35.73 to 35.80 do not apply to a person who feeds *
11 ~~his-or-her~~ has animals or poultry who are fed garbage obtained *
12 only from ~~his-or-her~~ the person's private household. *

035*#76S

13 35.76 GARBAGE, TREATMENT.

14 No person may feed garbage to livestock or poultry until it
15 has been thoroughly heated to at least 212 degrees Fahrenheit
16 for a continuous period of at least 30 minutes unless it is
17 treated in some other manner which is approved in writing by the
18 board as being equally effective for the protection of public
19 health and the control of livestock diseases, and no person may
20 knowingly permit livestock or poultry owned or controlled by ~~him~~ *
21 ~~or-her~~ that person to have access to any garbage which has not *
22 been heated or otherwise treated pursuant to this section.

035*#82S

23 35.82 RENDERING PLANT PERMITS; DISPOSITION OF CARCASSES.

24 No change for subd 1 to 1b

25 Subd. 2. DISPOSITION OF CARCASSES. (a) Except as
26 provided in subdivision 1b, every person owning or controlling
27 any domestic animal that has died or been killed otherwise than
28 by being slaughtered for human or animal consumption, shall as
29 soon as reasonably possible bury the carcass at least three feet
30 deep in the ground or thoroughly burn it. The board, through
31 its executive secretary, may issue permits to owners of
32 rendering plants located in Minnesota which are operated and
33 conducted as required by law, to transport carcasses of domestic
34 animals and fowl that have died, or have been killed otherwise
35 than by being slaughtered for human or animal consumption, over
36 the public highways to their plants for rendering purposes in
37 accordance with the rules adopted by the board relative to
38 transportation, rendering, and other provisions the board
39 considers necessary to prevent the spread of disease. The board
40 may issue permits to owners of rendering plants located in an
41 adjacent state with which a reciprocal agreement is in effect
42 under subdivision 3.

43 (b) Carcasses collected by rendering plants under permit
44 may be used for pet food or mink food if the owner or operator
45 employs an official veterinarian. If the veterinarian named in
46 the application is accepted by the board to act as the official
47 veterinarian, the veterinarian is the board's authorized
48 representative.

49 (c) Carcasses may be used for pet food or mink food if the
50 official veterinarian examines each carcass and determines that
51 the carcass is suitable for pet food or mink food purposes.
52 Carcasses not passed by the official veterinarian for pet food
53 or mink food purposes must be disposed of by rendering.

54 (d) An authorized employee or agent of the board may enter
55 private or public property and inspect the carcass of any
56 domestic animal that has died or has been killed other than by
57 being slaughtered for human or animal consumption. Failure to
58 dispose of the carcass of any domestic animal within the period
59 specified by this subdivision is a public nuisance. The board
60 may petition the district court of the county in which a carcass
61 is located for a writ requiring the abatement of the public
62 nuisance. A civil action commenced under this paragraph does
63 not preclude a criminal prosecution under this section. No
64 person may sell, offer to sell, give away, or convey along a
65 public road or on land the person does not own, the carcass of a
66 domestic animal when the animal died or was killed other than by
67 being slaughtered for human or animal consumption unless it is
68 done with a special permit pursuant to this section. The
69 carcass or parts of a domestic animal that has died or has been
70 killed other than by being slaughtered for human or animal
71 consumption may be transported along a public road for a medical
72 or scientific purpose if the carcass is enclosed in a leak proof

1 container to prevent spillage or the dripping of liquid waste.
 2 The board may adopt rules relative to the transportation of the
 3 carcass of any domestic animal for a medical or scientific
 4 purpose. A carcass on a public thoroughfare may be transported
 5 for burial or other disposition in accordance with this section.

6 No person ~~shall negligently or willfully permit~~ who owns or
 7 controls diseased animals ~~owned or controlled by him or her~~
 8 shall negligently or willfully permit them to escape ~~his or her~~
 9 from that control or to run at large. A violation of this
 10 section is a misdemeanor.

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11 No change for subd 3 to 4

038*#01S

12 38.01 COUNTY AGRICULTURAL SOCIETIES; FORMATION, POWERS.

13 An agricultural society or association may be incorporated
 14 by citizens of any county, or two or more counties jointly, but
 15 only one agricultural society shall be organized in any county.
 16 An agricultural society may sue and be sued in its corporate
 17 name; may adopt bylaws, rules, and regulations, alter and amend
 18 the same; may purchase and hold, lease and control any real or
 19 personal property deemed to promote the objects of the society,
 20 and may rent, lease, sell, and convey the same. Any income from
 21 the rental or lease of such property may be used for any or all
 22 of the following purposes: (1) Acquisition of additional real
 23 property; (2) Construction of additional buildings; or (3)
 24 Maintenance and care of the society's property. This section
 25 shall not be construed to preclude the continuance of any
 26 agricultural society now existing or the granting of aid thereto.

27 An agricultural society shall have jurisdiction and control
 28 of the grounds upon which its fairs are held and of the streets
 29 and grounds adjacent thereto during such fair, so far as may be
 30 necessary for such purpose. At or before the time of holding
 31 any fair, the agricultural society may appoint, in writing, as
 32 many persons to act as special constables as necessary, for and
 33 during the time of holding the same and for a reasonable time
 34 prior and subsequent thereto. These constables, before entering
 35 upon their duties, shall take and subscribe the usual oath of
 36 office, endorsed upon their appointment, and have and exercise
 37 upon the grounds of the society, and within one-half mile
 38 thereof, all the power and authority of constables at common law
 39 and, in addition thereto, may, within these limits, without
 40 warrant, arrest any person found violating any laws of the
 41 state, or any rule, regulation, or bylaw of the society, and
 42 summarily remove the persons and property of such offenders from
 43 the grounds and take them before any court of competent
 44 jurisdiction to be dealt with according to law. Each such peace
 45 officer shall wear an appropriate badge of office while acting
 46 as such.

47 As an alternative to the appointment of special constables,
 48 the society may contract with the sheriff or local municipality
 49 to provide the society with the same police service it may
 50 secure by appointing special constables. A person providing
 51 police service pursuant to such a contract is not, by reason of
 52 the contract, classified as an employee of the agricultural
 53 society for any purpose other than the discharge of his powers
 54 and duties under the contract.

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55 Any person who shall wilfully violate any rule or
 56 regulation made by such societies during the days of a fair
 57 shall be guilty of a misdemeanor.

58 The provisions of this section supersede all special laws
 59 on the same subject.

038*#02S

60 38.02 AID, DISTRIBUTION.

61 Subdivision 1. PRO RATA DISTRIBUTION; CONDITIONS.

62 (1) Money appropriated to aid county and district agricultural
 63 societies and associations shall be distributed among all county
 64 and district agricultural societies or associations in the state
 65 pro rata, upon condition that each of them has complied with the
 66 conditions specified in clause (2).

67 (2) To be eligible to participate in such distribution,
 68 each such agricultural society or association (a) shall have
 69 held an annual fair for each of the three years last past,
 70 unless prevented from doing so because of a calamity or an
 71 epidemic declared by the local board of health or the state
 72 commissioner of health to exist; (b) shall have an annual
 73 membership of 25 or more; (c) shall have paid out to exhibitors
 74 for premiums awarded at the last fair held a sum not less than

1 the amount to be received from the state; (d) shall have
 2 published and distributed not less than three weeks before the
 3 opening day of the fair a premium list, listing all items or
 4 articles on which premiums are offered and the amounts of such
 5 premiums and shall have paid premiums pursuant to the amount
 6 shown for each article or item to be exhibited; provided that
 7 premiums for school exhibits may be advertised in the published
 8 premium list by reference to a school premium list prepared and
 9 circulated during the preceding school year; and shall have
 10 collected all fees charged for entering an exhibit at the time
 11 the entry was made and in accordance with schedule of entry fees
 12 to be charged as published in the premium list; (e) shall have
 13 paid not more than one premium on each article or item
 14 exhibited, excluding championship or sweepstake awards, and
 15 excluding the payment of open class premium awards to 4H Club
 16 exhibits which at this same fair had won a first prize award in
 17 regular 4H Club competition; (f) shall have submitted its
 18 records and annual report to the commissioner of agriculture on
 19 a form provided by the commissioner of agriculture, on or before
 20 the first day of November of the current year.

21 (3) All payments authorized under the provisions of this
 22 chapter shall be made only upon the presentation by the
 23 commissioner of agriculture with the commissioner of finance of
 24 a statement of premium allocations. As used herein the term
 25 premium shall mean the cash award paid to an exhibitor for the
 26 merit of an exhibit of livestock, livestock products, grains,
 27 fruits, flowers, vegetables, articles of domestic science,
 28 handicrafts, hobbies, fine arts, and articles made by school
 29 pupils, or the cash award paid to the merit winner of events
 30 such as 4H Club or Future Farmer Contest, Youth Group Contests,
 31 school spelling contests and school current events contests, the
 32 award corresponding to the amount offered in the advertised
 33 premium list referred to in schedule 2. Payments of awards for
 34 horse races, ball games, musical contests, talent contests,
 35 parades, and for amusement features for which admission is
 36 charged, are specifically excluded from consideration as
 37 premiums within the meaning of that term as used herein. Upon
 38 receipt of the statement by the commissioner of agriculture, it
 39 shall be the duty of the commissioner of finance to draw ~~his~~ a *
 40 voucher in favor of the agricultural society or association for
 41 the amount to which it is entitled under the provisions of this
 42 chapter, which amount shall be computed as follows: On the
 43 first \$750 premiums paid by each society or association, such
 44 society or association shall receive 100 percent reimbursement;
 45 on the second \$750 premiums paid, 80 percent; on the third \$750
 46 premiums paid, 60 percent; and on any sum in excess of \$2,250,
 47 40 percent.

48 (4) If the total amount of state aid to which the
 49 agricultural societies and associations are entitled under the
 50 provisions of this chapter exceeds the amount of the
 51 appropriation therefor, the amounts to which the societies or
 52 associations are entitled shall be pro rated so that the total
 53 payments by the state will not exceed the appropriation.

54 No change for subd 1a to 4

038*#04S

55 38.04 ANNUAL MEETINGS; REPORTS.

56 Every county agricultural society shall hold an annual
 57 meeting for the election of officers and the transaction of
 58 other business on or before the third Tuesday in November, each
 59 year, at which time its secretary shall make a report of its
 60 proceedings for the preceding year; this report shall contain a
 61 statement of all transactions at its fairs, the numbers of
 62 entries, the amount and source of all moneys received, and the
 63 amount paid out for premiums and other purposes, and show in
 64 detail its entire receipts and expenditures during the year.
 65 The report must contain a separate accounting of any income
 66 received from the operation of horse racing on which pari-mutuel
 67 betting is conducted, and of the disposition of that income.

68 The treasurer shall make a comprehensive report of the
 69 funds received, paid out, and on hand, and upon whose order
 70 paid. Each secretary shall cause a certified copy of ~~his~~ the *
 71 annual report to be filed with the county recorder of the county
 72 and the commissioner of agriculture on or before the first day
 73 of November each year.

038*#14S

74 38.14 COUNTY FAIRS; APPROPRIATIONS IN CERTAIN COUNTIES.

1 In any county in this state now or hereafter having a
 2 population of 150,000, the county board may annually appropriate
 3 not to exceed \$3,000, except that counties having more than
 4 300,000 and less than 450,000 inhabitants may appropriate not to
 5 exceed \$5,000, to assist in maintaining a county fair, which
 6 fair shall be under the management and control of a county
 7 agricultural society. The appropriation shall be made either to
 8 the treasurer of the society or to some other suitable person,
 9 but before the money is paid ~~to~~, the treasurer or other person,
 10 ~~he~~ shall file with the county auditor a satisfactory bond in
 11 double the sum of the appropriation, conditioned upon the
 12 faithful disbursing and accounting for all of the funds so
 13 appropriated. The funds so appropriated shall be used solely
 14 for the purpose of obtaining, preparing, and arranging exhibits
 15 and paying premiums to exhibitors. The treasurer or other
 16 person to whom the appropriation is paid shall, within four
 17 months after the holding of any such aided annual fair, file
 18 with the county auditor ~~his~~ a verified and detailed report
 19 showing the name and address of every person to whom any of the
 20 money was paid, together with the date of payment, and a full
 21 description of the purposes for which the money was so paid, and
 22 ~~he~~ shall attach thereto receipts and subvouchers for each
 23 payment so made and return to the county treasurer all of the
 24 unexpended portion thereof. After the report, receipts, and
 25 subvouchers have been audited by the county board and found to
 26 be correct, it may, by resolution, release the treasurer or
 27 other person and ~~his~~ the sureties from all further liabilities
 28 under bond.

038*#35S

29 38.35 APPROPRIATIONS, HOW EXPENDED.

30 All moneys appropriated by the state for the purpose of
 31 aiding in the maintenance and expenses of county extension work
 32 in agriculture and home economics shall be expended under the
 33 direction of the dean of the Institute of Agriculture of the
 34 University of Minnesota, or ~~his~~ the dean's delegated
 35 representative, who, acting with the county extension committee,
 36 is hereby empowered to carry out the provisions of sections
 37 38.33 to 38.38.

038*#36S

38 38.36 COUNTY EXTENSION COMMITTEE.

39 There shall be provided in each county an extension
 40 committee, consisting of nine members, of whom two shall be
 41 members of the board of county commissioners, including the
 42 chairman chair and one other member of the county board selected
 43 by the board, the county auditor, and six additional members to
 44 be selected and appointed at large by the county board as
 45 provided in this section. In 1970 and each year thereafter, the
 46 board of county commissioners at their annual meeting shall
 47 select and appoint on an at large basis for a term of three
 48 years that number of the county extension committee as is
 49 required to fill the memberships on that committee expiring at
 50 that time. In cooperation with the dean of the Institute of
 51 Agriculture of the University of Minnesota, or ~~his~~ the dean's
 52 delegated representative, the county extension committee, each
 53 year, on or before the second Monday of July, shall prepare a
 54 budget showing the total funds available and needed, and shall
 55 recommend to the board of county commissioners the amount of
 56 county funds necessary for the maintenance, support, and
 57 expenses of the county extension work in agriculture and home
 58 economics during the following year. A copy of such budget
 59 shall be presented by the county auditor to the board of county
 60 commissioners. It shall be the duty of the board of county
 61 commissioners at its regular meeting in July or January, as the
 62 case may be, to consider the recommended county share of money
 63 necessary for the maintenance, support, and expenses of county
 64 extension work in agriculture and home economics during the
 65 following year. For these purposes the board of county
 66 commissioners may appropriate money annually from the general
 67 revenue fund and may include the same in the annual levy of
 68 county taxes or may make a special levy for county extension
 69 purposes or both. The amount of money so set aside and
 70 appropriated by the board of county commissioners for any county
 71 for these purposes shall constitute a fund to be known as the
 72 county extension fund, which shall be paid out by orders of the
 73 dean of the Institute of Agriculture of the University of
 74 Minnesota, or ~~his~~ the dean's delegated representative, for

1 salaries of the agents employed, their employees, and other
 2 expenses incident to the work of such agents in improving
 3 agriculture and home economics and improving and bettering the
 4 marketing of farm products within the appropriation available.
 5 No order for the application of these funds for the purposes
 6 named shall be issued until the expenditure shall have been
 7 audited and signed by the county auditor. In the event there is
 8 an unexpended balance of the county extension fund at the end of
 9 any year, this balance shall be carried over or reappropriated.

038*#37S

10 38.37 COUNTY EXTENSION COMMITTEE; PROGRAM, COUNTY AGENTS.

11 The county extension committee shall, annually, formulate a
 12 program of work in agriculture and home economics in cooperation
 13 with the agricultural extension division of the University of
 14 Minnesota and the United States Department of Agriculture. For
 15 the purpose of putting this program into operation it shall be
 16 the duty of the county extension committee, acting with the dean
 17 of the Institute of Agriculture of the University of Minnesota,
 18 or his the dean's delegated representative, and in accordance *
 19 with county and university personnel administration procedures
 20 to employ a suitable and qualified person or persons for such
 21 work to be known as county extension agents.

038*#38S

22 38.38 COUNTY EXTENSION COMMITTEE; DUTIES.

23 The duties of the members of the county extension
 24 committee, in addition to those hereinbefore specified, shall be
 25 to encourage the cooperation of all individuals and
 26 organizations to make profitable use of extension activities.
 27 It shall elect its own chairman chair and vice-chairman *
 28 vice-chair, who shall serve for one year. The county extension *
 29 agent shall give aid and advice to all residents of the county
 30 when called upon, when the object is to improve the science, art
 31 and business of agriculture and home economics and subjects
 32 related thereto. The county auditor shall act as secretary of
 33 such county extension committee, and keep a record of all its
 34 proceedings, and shall forward copies of all resolutions
 35 appropriating funds by the county commissioners to the dean of
 36 the Institute of Agriculture of the University of Minnesota.
 37 The members of the county extension committee other than members
 38 of the board of county commissioners shall be reimbursed for
 39 expenses or may receive a per diem allowance in accordance with
 40 section 375.47. County commissioners may receive a per diem
 41 pursuant to section 375.055, subdivision 1, and may be
 42 reimbursed for their necessary expenses, including mileage in
 43 accordance with section 471.665.

040*#03S

44 40.03 STATE SOIL AND WATER CONSERVATION BOARD.

45 Subdivision 1. MEMBERS. There is hereby established,
 46 to serve as an agency within the department of agriculture and
 47 to perform the functions conferred upon it in this chapter, the
 48 state soil and water conservation board to be composed of 12
 49 members, seven of whom shall be elected supervisors and the
 50 following five ex officio members: The director of the
 51 agricultural extension service of the University of Minnesota;
 52 the deputy vice president of the Institute of Agriculture,
 53 Forestry, and Home Economics of the University of Minnesota; the
 54 director of the pollution control agency; the commissioner of
 55 agriculture; and the commissioner of natural resources. Each ex
 56 officio member may designate a person within his the member's *
 57 organization to act in his the member's stead as a member of the *
 58 state board, with all his the member's rights and privileges. *
 59 The designation shall be filed with the secretary of state. The
 60 state board shall invite the state conservationist of the United
 61 States Soil Conservation Service to serve as an advisory
 62 member. The state board may also invite a representative of the
 63 state association of soil and water conservation districts, the
 64 association of Minnesota counties, the league of Minnesota
 65 cities and any other organizations and appropriate agencies
 66 deemed necessary to serve as advisory members. The seven
 67 members of the state board who are elected supervisors shall be
 68 appointed by the governor. In making these appointments the
 69 governor may consider persons recommended by the state
 70 association of soil and water conservation district. One member
 71 shall be appointed from each of the state soil and water
 72 conservation board administrative regions.

73 No change for subd 1a

1 Subd. 2. EMPLOYEES. The department of agriculture
2 shall provide administrative functions of this section. The
3 commissioner of agriculture shall make available to the state
4 soil and water conservation board staff, funds for operation,
5 and office space necessary for the administration and
6 coordination of its functions. The state board shall be
7 responsible to the commissioner.

8 The commissioner of agriculture shall provide an
9 administrative officer and other necessary permanent and
10 temporary technical experts, agents and employees. The state
11 board may call upon the attorney general for necessary legal
12 services. It shall have authority to delegate to its chairman *
13 chair or to one or more of its other officers or members or *
14 administrative officer any of its own powers and duties it may
15 deem proper. All permanent personnel of the state board are
16 employees of the department of agriculture and are in the
17 classified service of the state except as otherwise required by
18 statute. In order to perform its duties, the state board may
19 request information from the supervising officer of any state
20 agency or state institution of higher education, including the
21 state universities, the community colleges, and the
22 post-secondary vocational technical schools.

23 Subd. 3. OFFICERS; QUORUM. The state board shall
24 designate its chairman chair, and may annually change its *
25 designation. A member of the state board shall hold office so
26 long as he the member shall retain the office by virtue of which *
27 he-shall-be-serving the member serves on the state board. A *
28 majority of the state board shall constitute a quorum, and the
29 concurrence of a majority in any matter within their duties
30 shall be required for its determination. The state board shall
31 keep a full and accurate record of its official actions. The
32 state board may hold any public hearings and promulgate rules
33 necessary to execute its duties specified in this chapter. The
34 legislative auditor shall annually audit the books of the state
35 board.

36 No change for subd 4
040*#036S

37 40.036 COST-SHARING CONTRACTS FOR EROSION CONTROL AND
38 WATER MANAGEMENT.

39 No change for subd 1

40 Subd. 2. CONTRACTS BY DISTRICTS. Within the limits
41 of funds available, a district board may contract on a cost
42 share basis to furnish financial aid to a land occupier or to a
43 state agency for the implementation of permanent systems for
44 erosion or sedimentation control or water quality improvement
45 which are consistent with the district's comprehensive and
46 annual work plans completed pursuant to section 40.07,
47 subdivision 9. The duration of the contract may be the time
48 required to complete the planned systems. A contract may
49 provide for cooperation or funding with United States agencies.
50 Every contract shall specify that the land occupier is liable
51 for monetary damages, not to exceed the amount of financial
52 assistance he received from the district, if-he-fails for *
53 failure to timely complete or maintain the systems or practices *
54 as specified in the contract. A land occupier or any state
55 agency may provide the cost-sharing portion of the contract
56 through in-kind services.

57 No change for subd 3

040*#04S

58 40.04 SOIL AND WATER CONSERVATION DISTRICTS.

59 No change for subd 1 to 5

60 Subd. 6. SUPERVISORS A CORPORATION; NAME OF DISTRICT;
61 CERTIFICATE OF ORGANIZATION. If the state soil and water
62 conservation board shall determine that the operation of the
63 proposed district within the defined boundaries is
64 administratively practicable and feasible, it shall appoint two
65 supervisors to act, with the three supervisors elected as
66 provided hereinafter, as the governing body of the district.
67 The district shall be a governmental subdivision of this state
68 and a public body corporate and politic, upon the taking of the
69 following proceedings:

70 The two appointed supervisors shall present to the
71 secretary of state an application signed by them, which shall
72 set forth (and such application need contain no detail other
73 than the mere recitals):

74 (1) That a petition for the creation of a district was

1 filed with the state soil and water conservation board pursuant
 2 to the provisions of this chapter, and that the proceedings
 3 specified in this chapter were taken pursuant to such petition;
 4 that the application is being filed in order to complete the
 5 organization of the district as a governmental subdivision and a
 6 public body, corporate or politic, under this chapter; and that
 7 the state board has appointed them as supervisors;

8 (2) The name and official residence of each supervisor,
 9 together with a certified copy of the appointment evidencing ~~his~~ *
 10 the right to office; *

11 (3) The term of office of each supervisor;

12 (4) The name which is proposed for the district; and

13 (5) The location of the principal office of the supervisors
 14 of the district.

15 The application shall be subscribed and sworn to by each
 16 supervisor before an officer authorized by the laws of this
 17 state to take oaths, who shall certify upon the application ~~that~~ *
 18 ~~he personally knows~~ personal knowledge of the supervisors ~~and~~ *
 19 ~~knows them to be,~~ that they are the officers as affirmed in the *
 20 application, and that each has subscribed thereto in the
 21 officer's presence. The application shall be accompanied by a
 22 statement by the state soil and water conservation board, which
 23 shall certify (and such statement need contain no detail other
 24 than the mere recitals) that a petition was filed, notice
 25 issued, and hearing held as aforesaid; that the state board did
 26 duly determine that there is need, in the interest of the public
 27 health, safety, and welfare, for a soil and water conservation
 28 district to function in the proposed territory, and did define
 29 the boundaries thereof; that notice was given and a referendum
 30 held on the question of the creation of the district, and that
 31 the result of the referendum showed a majority of the votes cast
 32 in the referendum to be in favor of the creation of the
 33 district; that thereafter the state board did duly determine
 34 that the operation of the proposed district is administratively
 35 practicable and feasible. The statement shall set forth the
 36 boundaries of the district as they have been defined by the
 37 state board.

38 The secretary of state shall examine the application and
 39 statement and, ~~if he finds~~ on finding that the name proposed for *
 40 the district is not identical with that of any other soil and
 41 water conservation district in this state, or so nearly similar *
 42 as to lead to confusion or uncertainty, ~~he~~ shall receive and *
 43 file them and record them in an appropriate book of record *
 44 in ~~his~~ the secretary of state's office. If the secretary of *
 45 state shall find that the name proposed for the district is
 46 identical with that of any other soil and water conservation
 47 district of this state, or so nearly similar as to lead to
 48 confusion and uncertainty, ~~he~~ the secretary shall certify that *
 49 fact to the state soil and water conservation board, which shall
 50 thereupon submit to the secretary of state a new name for the
 51 district, which shall not be subject to such defects. Upon
 52 receipt of the new name, free from such defects, the secretary
 53 of state shall record the application and statement, with the
 54 name so modified, in an appropriate book of record in ~~his~~ the *
 55 secretary of state's office. When the application and statement *
 56 have been made, filed, and recorded, as herein provided, the
 57 district shall constitute a governmental subdivision of this
 58 state. The secretary of state shall make and issue to the
 59 supervisors a certificate, under the seal of the state, of the
 60 due organization of the district and record the certificate with
 61 the application and statement. The boundaries of the district
 62 shall include the territory as determined by the state soil and
 63 water conservation board, as aforesaid, but in no event shall
 64 they include any area included within the boundaries of another
 65 soil and water conservation district organized under the
 66 provisions of this chapter.

67 After July 1, 1972, all cities, lying within the boundaries
 68 of an existing soil and water conservation district are included
 69 within the boundaries of the district. Cities shall be included
 70 within the boundaries of any district organized after July 1,
 71 1972. In doubtful cases, the state soil and water conservation
 72 board shall determine the district within which a city shall be
 73 included.

74 No change for subd 7

75 Subd. 8. TERRITORY ANNEXED; PROCEDURE. (1)

76 Petitions for including additional territory within an existing

1 district may be filed with the state soil and water conservation
 2 board, and the proceedings herein provided for in the case of
 3 petitions to organize a district shall be observed in the case
 4 of petitions for such inclusion. The state board shall prescribe
 5 the form for such petitions, which shall be as nearly as may be
 6 in the form prescribed in this chapter for petitions to organize
 7 a district. Where the total number of land occupiers in the
 8 area proposed for inclusion shall be less than 25, the petition
 9 may be filed when signed by a majority of the occupiers of such
 10 area, and in such case no referendum need be held. In referenda
 11 upon petitions for such inclusion, all occupiers of land lying
 12 within the proposed additional area shall be eligible to vote.

13 (2) Petitions for consolidating two or more districts or
 14 for separating an existing district into two or more districts
 15 may be filed with the state soil and water conservation board by
 16 any 25 or more occupiers of land within the district or
 17 districts affected. In such event, it shall not be necessary to
 18 obtain the consent of any fee owners of lands in any created
 19 districts before additional territory is annexed or before
 20 districts are consolidated, or before an existing district is
 21 divided, but all other proceedings herein provided for in the
 22 case of petitions to organize a district shall be followed in so
 23 far as they are applicable. The state board shall prescribe the
 24 form for such petitions, which shall be as nearly as may be in
 25 the form prescribed in this chapter for petitions to organize a
 26 district.

27 (3) In the holding of the referendum for consolidation or
 28 separation, all land occupiers within the affected district or
 29 districts shall be eligible to vote. The state board shall not
 30 have authority to determine the administrative practicability or
 31 feasibility of consolidating or separating districts unless a
 32 majority of the votes cast in the referendum within each and all
 33 of the separate districts to be affected, or within each and all
 34 of the separate areas sought to be made separate districts,
 35 shall be in favor of such consolidation or separation.

36 (4) In the case of consolidation or separation of
 37 districts, the corporate existence and terms of office of the
 38 officers of the old district or districts shall expire upon the
 39 issuance and recording by the secretary of state of a
 40 certificate of the due organization of the consolidated
 41 district, or of the several new districts. Upon consolidation
 42 all of the rights and liabilities of the several consolidating
 43 districts shall be vested in, and assumed by the consolidated
 44 district. Upon separation, the rights and liabilities of the
 45 original district shall be vested in and assumed by the new
 46 districts in the equitable proportion to be determined by the
 47 state soil and water conservation board; provided, however, that
 48 any subdividing shall not affect the term of office of for which
 49 any supervisor ~~for which he~~ was elected or appointed, and such
 50 supervisor shall continue to represent the district in which he
 51 the supervisor resides for the that full term ~~for which he was~~
 52 ~~elected or appointed~~.

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53 No change for subd 9 to 11

54 Subd. 12. FORMATION OF SUPERVISOR DISTRICTS. The
 55 district governing body of any district, heretofore or hereafter
 56 organized, after two successive annual elections have been held
 57 shall, with the approval of the state soil and water
 58 conservation board, divide a district into five supervisor
 59 districts for purposes of nomination for election and at each
 60 election thereafter one or more supervisors shall be nominated
 61 from each such district, and whenever the boundary of any
 62 district has been substantially changed after a division
 63 thereof, such district shall thereupon be divided into five
 64 supervisor districts for nomination purposes in accord with this
 65 subdivision, provided that nothing herein will be construed to
 66 disqualify a supervisor during the term for which he the
 67 supervisor was elected or nominated for election. Supervisors
 68 nominated from nomination districts shall be included on the
 69 ballot for election from the entire area included in the soil
 70 and water conservation district. Any vacancy occurring in any
 71 such district by failure to nominate a supervisor or otherwise,
 72 shall be filled by a majority of the supervisors in the manner
 73 provided in section 40.05, subdivision 4.

*
*

74 A certified copy of the minutes or the resolution of the
 75 supervisors establishing districts as herein authorized shall be
 76 promptly filed by the chairman chair of the board of supervisors

*

1 with the county auditor wherein the districts are located and
2 with the state soil and water conservation board.

040*#05S

3 40.05 THREE SUPERVISORS ELECTED FOR EACH DISTRICT.

4 Subdivision 1. Within 30 days after the date of issuance
5 by the secretary of state of a certificate of organization of a
6 soil and water conservation district, or such further time as
7 the state soil and water conservation board may allow,
8 nominating petitions may be filed with the state soil and water
9 conservation board nominating legal voters as candidates for
10 election as supervisors of such district, two for terms to
11 expire on December 31 following the second general election
12 after their initial election, and one for a term to expire on
13 December 31 following the third general election after their
14 initial election. Each petition must be subscribed by one or
15 more legal voters of the district. ~~No if a person shall~~ *
16 ~~sign signs~~ petitions nominating more than three candidates and *
17 ~~if-he-does-his~~ the signature shall not be counted on any *
18 petition. The state board shall give due notice of the time and
19 place where the election of three supervisors shall be held in
20 the district, and shall specify therein the names of all
21 candidates and the terms for which nominated. The state board
22 shall prepare ballots for such election with the surnames of the
23 candidates printed thereon in alphabetical order for each term
24 and a square before each name and a direction to insert an X
25 mark in the square before three names with different terms to
26 indicate the voter's choice. All legal voters shall be eligible
27 to vote at such election. The three candidates who shall receive
28 the highest numbers respectively of the votes cast at such
29 election shall be the elected supervisors for the district. In
30 case of a tie, the election shall be determined by lot, under
31 the direction of the state board. The state board shall
32 supervise such election, pay all the expenses thereof, prescribe
33 the regulations governing the same, determine the eligibility of
34 voters and publish the results.

35 No change for subd 2 to 3a

36 Subd. 4. If a vacancy except by reason of expiration of
37 term shall occur in the office of an elected supervisor, more
38 than 60 days before the next succeeding general election, the
39 governing body of the district shall fill the vacancy by
40 appointment; and the supervisor appointed shall hold office
41 until December 31 following the next succeeding general
42 election. If the term does not then expire, ~~his~~ a successor *
43 shall be elected at the next succeeding general election
44 following the appointment and hold office for the remainder of
45 the term. If a vacancy except by reason of expiration of term
46 shall occur in such office less than 60 days before the next
47 succeeding general election, the governing body of the district
48 shall fill the vacancy by appointment; and the supervisor shall
49 hold office until the expiration of the term or until December
50 31 following the second succeeding general election, whichever
51 is the shortest term, when ~~his~~ a successor shall be elected and *
52 hold office for the remainder of the term.

040*#06S

53 40.06 SUPERVISORS.

54 No change for subd 1

55 Subd. 2. TENURE; VACANCIES; QUORUM; COMPENSATION. A
56 supervisor shall hold office until ~~his~~ a successor has been *
57 elected or appointed and has qualified. Vacancies in the office
58 of supervisor appointed by the state board, for an entire term
59 or an unexpired term, shall be filled by the state board. A
60 majority of the supervisors shall constitute a quorum and the
61 concurrence of a majority in any matter within their duties
62 shall be required for its determination except as otherwise
63 expressly provided. A supervisor shall receive such
64 compensation for ~~his~~ services as the state board may determine, *
65 and ~~he~~ shall be entitled to expenses, including traveling *
66 expenses, necessarily incurred in the discharge of ~~his~~ duties. *
67 A supervisor shall receive as reimbursement for the use of ~~his~~ *
68 the supervisor's own automobile in the performance of ~~his~~ *
69 duties, the rate per mile prescribed for state officers and
70 employees.

71 Subd. 3. OFFICERS; EMPLOYEES; INFORMATION TO STATE
72 BOARD. The supervisors shall elect or appoint officers for
73 the district and the board of supervisors as follows: A
74 ~~chairman~~ chair elected from their own members and a secretary *

1 and a treasurer appointed or selected from within or without
 2 such membership, all to serve at the pleasure of the supervisors.
 3 Such officers shall have the powers and duties incident to their
 4 respective offices, and such other powers and duties as may be
 5 expressly prescribed by law or directed by the supervisors for
 6 any such purpose. The supervisors may employ technical experts
 7 and such other officers, agents, and employees, permanent and
 8 temporary, as they may require, and shall determine their
 9 qualifications, duties, and compensation. The county attorney
 10 of the county in which the major portion of the district is
 11 located or one who may be otherwise employed by the board shall
 12 be the attorney for the district and the supervisors thereof,
 13 and the supervisors may call upon ~~him~~ the county attorney for *
 14 the necessary legal counsel and advice and service. The *
 15 supervisors may delegate to their ~~chairman~~ chair or other
 16 officer, to one or more supervisors, or to one or more agents or
 17 employees such powers and duties as they may deem proper. The
 18 supervisors shall furnish to the state soil and water
 19 conservation board, upon request, copies of such ordinances,
 20 rules, regulations, orders, contracts, forms, and other
 21 documents as they shall adopt or use, and such other information
 22 concerning their activities as the state board may require in
 23 the performance of its duties under this chapter.

24 No change for subd 4 to 5

040*#072S

25 40.072 SOIL AND WATER CONSERVATION DISTRICTS; WORKS OF
 26 IMPROVEMENT.

27 No change for subd 1 to 3

28 Subd. 4. ACTION ON WORK PROJECT PURSUANT TO REPORT;
 29 PETITION AND HEARING. The county board or boards, acting
 30 jointly under section 471.59, may take action on a project
 31 within the improvement work unit for construction or
 32 installation of works of improvement or part thereof pursuant to
 33 the recommendations in the report only upon a petition for a
 34 project signed by at least 25 percent of the owners of the land
 35 over which the proposed improvement work passes or upon which it
 36 is located, or by the owners of at least 30 percent of the area
 37 of such land, describing such land and requesting the county
 38 board or joint county board to hold a hearing on the
 39 practicability and desirability of carrying out the project in
 40 accordance with the preliminary plan and the recommendations in
 41 the report of the district board or boards. If the report
 42 specifies that any part of the cost of the project is to be paid
 43 from the proceeds of assessments on benefited property, one or
 44 more of the petitioners, upon the filing of the petition and
 45 before any action is taken thereon, shall file a bond to the
 46 county or counties acting jointly conditioned as provided by
 47 section 106A.205 in the case of a county drainage system, to be
 48 approved by the ~~chairman~~ chair of the board. The county board *
 49 or joint county board shall set a time and place for the hearing
 50 on the petition, and cause notice thereof to be given as
 51 provided in section 106A.261, subdivision 1. If upon the
 52 hearing the county board or joint county board finds that the
 53 carrying out of the project as requested in the petition will be
 54 feasible, in accordance with the recommendations of the report,
 55 and in furtherance of the objectives and purposes therein set
 56 forth, and that the estimated cost will not exceed the funds
 57 which may reasonably be expected to be available for payment
 58 thereof, the county board or joint county board may adopt a
 59 resolution so determining and directing further action on the
 60 project as hereinafter provided. By such resolution the county
 61 board or joint county board shall determine the amount to be
 62 paid from the respective sources of available or potentially
 63 available funds, including federal aid, district funds,
 64 assessments on benefited property, and other funds, if any. The
 65 amount payable from district funds may be commensurate with but
 66 shall not exceed the value of the general public benefit of the
 67 project to the district as determined by the board or boards.

68 No change for subd 5 to 9

040*#14S

69 40.14 DISCONTINUANCE OF DISTRICTS.

70 At any time after five years after the organization of a
 71 district under the provisions of this chapter, 25 occupiers of
 72 land lying within the boundaries of the district may file a
 73 petition with the state soil and water conservation board
 74 praying that the operations of the district be terminated and

1 the existence of the district discontinued. The state board may
2 conduct such public meetings and public hearings upon the
3 petition as may be necessary to assist in the consideration
4 thereof. Within 60 days after the petition has been received by
5 the state board, it shall give due notice of the holding of a
6 referendum, supervise the referendum, and issue appropriate
7 regulations governing the conduct thereof, the question to be
8 submitted by ballots, upon which the words "For terminating the
9 existence of the (name of the soil and water
10 conservation district to be here inserted)" and "Against
11 terminating the existence of the (name of the
12 soil and water conservation district to be here inserted)" shall
13 be printed, with a square before each proposition and a
14 direction to insert an X mark in the square before one or the
15 other of these propositions as the voter may favor or oppose
16 discontinuance of the district. All occupiers of lands lying
17 within the boundaries of the districts shall be eligible to vote
18 in the referendum. Only these land occupiers shall be eligible
19 to vote. No informalities in the conduct of the referendum or
20 in any matters relating thereto shall invalidate the referendum,
21 or the result thereof, if notice thereof shall have been given
22 substantially as herein provided and the referendum shall have
23 been fairly conducted.

24 The state board shall publish the result of the referendum
25 and shall thereafter consider and determine whether the
26 continued operation of the district within the defined
27 boundaries is administratively practicable and feasible. If the
28 state board shall determine that the continued operation of the
29 district is administratively practicable and feasible, it shall
30 record such determination and deny the petition. If the state
31 board shall determine that the continued operation of the
32 district is not administratively practicable and feasible, it
33 shall record such determination and certify such determination
34 to the supervisors of the district. In making such
35 determination the state board shall give due regard and weight
36 to the attitudes of the occupiers of lands lying within the
37 district, the number of land occupiers eligible to vote in the
38 referendum who shall have voted, the proportion of the votes
39 cast in the referendum in favor of the discontinuance of the
40 district to the total number of votes cast, the approximate
41 wealth and income of the land occupiers of the district, the
42 probable expense of carrying on erosion-control operations
43 within the district, and such other economic and social factors
44 as may be relevant to such determination, having due regard to
45 the declaration of public policy set forth in section 40.02.
46 The state board shall not have authority to determine that the
47 continued operation of the district is administratively
48 practicable and feasible unless at least a majority of the votes
49 cast in the referendum shall have been cast in favor of the
50 continuance of the district.

51 Upon receipt from the state soil and water conservation
52 board of a certification that the board has determined that the
53 continued operation of the district is not administratively
54 practicable and feasible, pursuant to the provisions of this
55 section, the supervisors shall forthwith proceed to terminate
56 the affairs of the district. The supervisors shall dispose of
57 all property belonging to the district at public auction and pay
58 over the proceeds of the sale to be covered into the state
59 treasury. The supervisors shall thereupon file an application,
60 duly verified, with the secretary of state for the
61 discontinuance of the district, and transmit with the
62 application the certificate of the state soil and water
63 conservation board setting forth the determination of the board
64 that the continued operation of the district is not
65 administratively practicable and feasible. The application
66 shall recite that the property of the district has been disposed
67 of and the proceeds paid over as in this section provided, and
68 set forth a full accounting of these properties and proceeds of
69 the sale. The secretary of state shall issue to the supervisors
70 a certificate of dissolution and record the certificate in an
71 appropriate book of record in his the secretary of state's
72 office. *

73 Upon issuance of a certificate of dissolution under the
74 provisions of this section, all ordinances and regulations
75 theretofore adopted and in force within these districts shall be
76 of no further force and effect. All contracts theretofore

1 entered into, to which the district or supervisors are parties,
 2 shall remain in force and effect for the period provided in the
 3 contracts. The state soil and water conservation board shall be
 4 substituted for the district or supervisors as party to the
 5 contracts. The board shall be entitled to all benefits and
 6 subject to all liabilities under the contracts, and shall have
 7 the same right and liability to perform, to require performance,
 8 to sue and be sued thereon, and to modify or terminate the
 9 contracts by mutual consent, or otherwise, as the supervisors of
 10 the district would have had. The dissolution shall not affect
 11 the lien of any judgment entered under the provisions of section
 12 40.11, nor the pendency of any action instituted under the
 13 provisions of section 40.11, and the board shall succeed to all
 14 the rights and obligations of the district or supervisors as to
 15 these liens and actions.

16 The state soil and water conservation board shall not
 17 entertain petitions for the discontinuance of any district nor
 18 conduct referenda upon the petitions, nor make determinations
 19 pursuant to the petitions in accordance with the provisions of
 20 this chapter, more often than once in two years.

041*#54S

21 41.54 ADVISORY COUNCIL.

22 No change for subd 1 to 2

23 Subd. 3. ~~CHAIRMAN~~ CHAIR. The members of the council
 24 shall annually elect a ~~chairman~~ chair and other officers they
 25 deem necessary. *

26 No change for subd 4 to 5

041*#55S

27 41.55 ELIGIBILITY.

28 A family farm security loan approval may be granted if the
 29 following criteria are satisfied:

30 (a) that the applicant is a resident of the state of
 31 Minnesota;

32 (b) that the applicant has sufficient education, training,
 33 or experience in the type of farming for which ~~he-wishes~~ the
 34 loan is desired and continued participation in a farm management
 35 program, approved by the commissioner, for at least the first
 36 ten years of the family farm security loan; *

37 (c) that the applicant, ~~his~~ and the applicant's dependents
 38 and spouse have total net worth valued at less than \$75,000 and
 39 has demonstrated a need for the loan; *

40 (d) that the applicant intends to purchase farm land to be
 41 used by the applicant for agricultural purposes;

42 (e) that the applicant is credit worthy according to
 43 standards prescribed by the commissioner.

041*#56S

44 41.56 PROCEDURE.

45 Subdivision 1. LOAN APPLICATION; DENIAL. Any person
 46 desiring to acquire farm land may make application with a lender
 47 for a family farm security loan. Upon completion of the
 48 appropriate forms by the applicant and the lender, the applicant
 49 shall forward the application to the commissioner for approval.

50 The commissioner shall prescribe a screening process to
 51 determine eligibility and ~~he~~ may arrange for local lenders to
 52 perform this function for the state. The commissioner may
 53 approve the application if the criteria of sections 41.55 and
 54 41.57 are satisfied, and shall notify the applicant and the
 55 lender of ~~his~~ the decision. *

56 If the application is denied, the commissioner shall
 57 provide the applicant with a written statement of the reasons
 58 for the denial. ~~If-the-circumstances-of-the An~~ applicant change
 59 ~~such-that-he~~ who later becomes eligible, ~~he~~ may reapply. *

60 Subd. 2. APPROVED LOANS. ~~If-the-commissioner~~
 61 ~~approves-the~~ On approving a loan application, ~~he the~~
 62 commissioner shall notify the applicant and lender of ~~his~~ the
 63 decision. The applicant and the lender may then complete the
 64 transaction for the loan. *

65 Subd. 3. DEFAULT, FILING CLAIM. Within 90 days of a
 66 default on a guaranteed family farm security loan, the lender
 67 shall send notice to the participant stating that the
 68 commissioner must be notified if the default continues for 180
 69 days, and the consequences of that default. The lender and the
 70 participant may agree to take any steps reasonable to assure the
 71 fulfillment of the loan obligation.

72 If a participant cannot meet scheduled loan payments
 73 because of unique or temporary circumstances and the participant

1 proves sufficiently to the commissioner that the necessary cash
 2 flow can be generated in the future, the commissioner may use
 3 money in the special account in section 41.61, subdivision 1, to
 4 meet the participant's loan obligation for up to two consecutive
 5 years. This money must be paid back within eight years with
 6 interest at an annual percentage rate four percent below the
 7 prevailing Federal Land Bank rate.

8 A contract for deed participant may enter into an agreement
 9 with the commissioner whereby the outstanding principal balance
 10 of the loan is reduced by a minimum of ten percent, the loan is
 11 reamortized for the years remaining, and the commissioner agrees
 12 that the state shall pay the lender 100 percent of the sum due
 13 and payable if a default occurs during the remaining term of the
 14 reamortized loan.

15 After 180 days from the initial default, if the participant
 16 has not made arrangements to meet his the obligation, the lender *
 17 shall file a claim with the commissioner, identifying the loan
 18 and the nature of the default, and assigning to the state all of
 19 the lender's security and interest in the loan in exchange for
 20 payment according to the terms of the family farm security loan
 21 guarantee. In the case of a seller-sponsored loan, the seller
 22 may elect to pay the commissioner all sums owed the commissioner
 23 by the participant and retain title to the property in lieu of
 24 payment by the commissioner under the terms of the loan
 25 guarantee. If the commissioner determines that the terms of the
 26 family farm security loan guarantee have been met, he the *
 27 commissioner shall authorize payment of state funds to the *
 28 lender, and shall notify the defaulting party. The state of
 29 Minnesota shall then succeed to the interest of the mortgagee or
 30 the vendor of the contract for deed. Taxes shall be levied and
 31 paid on the land as though the owner were a natural person and
 32 not a political subdivision of the state. The commissioner may,
 33 on behalf of the state, commence foreclosure or termination
 34 proceedings in the manner provided by law.

35 Subd. 4. SALE OF DEFAULTED PROPERTY. In the event
 36 that title to any property is acquired by the state, upon
 37 conveyance of title to the state and expiration of the period of
 38 redemption, the commissioner shall undertake to sell the
 39 property by publishing a notice of the impending sale at least
 40 once each week for four successive weeks in a legal newspaper
 41 and also in a newspaper of general distribution in the county in
 42 which the property to be sold is situated. The notice must
 43 describe the lots or tracts to be offered and the terms of
 44 sale. Except as further provided, the terms and method of sale
 45 shall be determined by the commissioner.

46 The commissioner shall first attempt to sell the property
 47 to a person who is eligible for a family farm security loan. If
 48 the commissioner is unable to effect a sale to an eligible
 49 person, the commissioner shall attempt to sell the property for
 50 cash as provided in subdivision 4a. If the commissioner is
 51 unable to effect a sale to an eligible person or for cash, or if
 52 the commissioner finds that sale to an eligible person or for
 53 cash would not best protect the interests of the state, the
 54 commissioner may sell the property on terms which the
 55 commissioner finds will best protect the interests of the state.
 56 The commissioner may lease any real property which he the *
 57 commissioner is unable to sell with reasonable promptness. In *
 58 any event, any acquired farm property must be sold within three
 59 years after the conveyance of title to the state or after the
 60 expiration of the period of redemption. The commissioner may
 61 contract for the services of a licensed real estate agent or
 62 broker to assist in selling any property acquired under this
 63 section and may pay for the services from the proceeds of the
 64 sale before proceeds are distributed under subdivision 4b.

65 Subd. 4a. SALE FOR CASH. ~~When the commissioner sells~~ *
 66 In selling any farm property for cash, he the commissioner shall *
 67 follow the procedures provided in this subdivision. The
 68 commissioner may sell the property to the highest bidder by
 69 taking sealed bids, by bids at public auction, or through
 70 negotiation. The commissioner may refuse to accept any or all
 71 bids. The successful bidder shall submit bid security in the
 72 form of a certified check, money order, or bank draft in the
 73 amount of five percent of the bid price on the day of selection
 74 and shall remit the balance of the purchase price within 90 days
 75 of the date of sale. Upon remittance by the purchaser of the
 76 balance within 90 days of the date of sale, the commissioner

1 shall transfer title to the property, including any acquired
 2 mineral rights, to the purchaser by quitclaim deed. In the
 3 event that the purchaser fails to remit all of the balance
 4 within 90 days of the date of sale, the purchaser forfeits all
 5 rights to the property and any money paid for the property and
 6 the commissioner shall recommence the sale process specified in
 7 this subdivision.

8 No change for subd 4b to 7

041*#57S

9 41.57 TERMS OF THE LOAN.

10 Subdivision 1. FORMS; APPRAISAL PROCEDURE;
 11 LIMITATIONS. A family farm security loan shall be transacted
 12 on forms approved by the commissioner with the advice of the
 13 attorney general. The commissioner shall establish by rule an
 14 appraisal procedure--~~He~~ and shall thereby determine the value *
 15 and income potential of the property before guaranteeing a
 16 family farm security loan. No guarantee shall be made if the
 17 purchase price of the farm land exceeds the appraisal value as
 18 determined under the provisions of this subdivision.

19 No change for subd 2

20 Subd. 3. ANNUAL REVIEW OF NET WORTH. The
 21 participant--~~his~~ and the participant's dependents and spouse *
 22 shall annually submit to the commissioner a statement of their
 23 net worth. If their net worth in any year exceeds the sum of
 24 \$135,000, the participant shall be ineligible for a payment
 25 adjustment in that year.

041*#59S

26 41.59 SALE OR CONVEYANCE.

27 Subdivision 1. IMMEDIATE REPAYMENT OF LOAN. Any
 28 participant who sells or conveys the property for which a family
 29 farm security loan was issued shall immediately retire the
 30 entire indebtedness still owed to the lender and the
 31 commissioner. The new owner may negotiate a new family farm *
 32 security loan ~~in his own right~~, but under no circumstances may *
 33 the original loan be assumed by the new owner. If the new owner
 34 is granted a family farm security loan, the new owner may agree
 35 to assume the original participant's responsibility to reimburse
 36 the commissioner for a payment adjustment received, as a portion
 37 of the total purchase price. That portion of the purchase price
 38 may not be included under the guarantee or considered when
 39 calculating the payment adjustment for the new owner. This
 40 subdivision is not intended to prohibit the participant from
 41 granting a security interest in the property for the purposes of
 42 securing an additional loan.

43 Any participant who fails to personally maintain the land
 44 covered by a family farm security loan in active agricultural
 45 production for a period of time longer than one year is in
 46 default. The default may be waived by the commissioner in the
 47 event of a physical disability or other extenuating
 48 circumstances.

49 Subd. 2. Repealed, 1Sp1985 c 14 art 1 s 59

50 Subd. 3. Repealed, 1Sp1985 c 14 art 1 s 59

041A#02S

51 41A.02 DEFINITIONS; ACTIONS BY THE STATE.

52 No change for subd 1 to 2

53 Subd. 3. AGRICULTURAL RESOURCE LOAN GUARANTY BOARD;
 54 BOARD. "Agricultural resource loan guaranty board" or "board"
 55 means the commissioner of finance as chairman chair, the *
 56 commissioner of agriculture, the commissioner of commerce, the
 57 commissioner of energy and economic development, and the
 58 director of the pollution control agency.

59 No change for subd 4 to 15

042*#06S

60 42.06 LICENSES.

61 Subdivision 1. No person shall engage in weather
 62 modification without a license issued by the commissioner.
 63 Applications for weather modification licenses shall be on forms
 64 prescribed and furnished by the commissioner. The applicant
 65 shall pay a fee of \$100. The license shall be valid for one
 66 year. The commissioner may waive the license fee in situations
 67 he the commissioner deems appropriate. *

68 Subd. 2. The commissioner shall issue licenses only to
 69 applicants who demonstrate good character, adequate education
 70 and sufficient competence in the field of meteorology and cloud
 71 physics to engage in weather modification. At a minimum, each
 72 applicant shall meet at least one of the following:

1 (1) demonstrate ~~that he has~~ at least eight years of *
 2 experience at the professional level in weather modification
 3 field research or operations, at least three of these years as a
 4 professional director; or

5 (2) has obtained a baccalaureate degree in engineering,
 6 mathematics, or the physical sciences plus three years
 7 experience in weather modification field research or operations;
 8 or

9 (3) has obtained a baccalaureate degree in meteorology, or
 10 a degree in engineering or the physical sciences which includes,
 11 or is in addition to, the equivalent of at least 25 semester
 12 hours of meteorological course work and two years practical
 13 experience in weather modification operations or research.

14 If the applicant is an organization, the competence must be
 15 demonstrated by the individuals who are to supervise and conduct
 16 the weather modification.

17 No change for subd 3 to 4

042*#09S

18 42.09 PERMITS.

19 No change for subd 1

20 Subd. 2. The applicant shall demonstrate to the
 21 satisfaction of the commissioner ~~that he has~~ the ability to *
 22 respond to damages for liability which might reasonably result
 23 from the operation for which the permit is sought.

24 No change for subd 3 to 9

043A#04S

25 43A.04 GENERAL POWERS AND RESPONSIBILITIES OF
 26 COMMISSIONER.

27 No change for subd 1 to 6

28 Subd. 7. REPORTING. The commissioner shall issue a
 29 written report by January 1 and July 1 of each year to the
 30 ~~chairperson~~ chair of the legislative commission on employee *
 31 relations. The report shall list the number of appointments
 32 made pursuant to each of the categories in section 43A.15,
 33 subdivisions 2 to 12 and the number made pursuant to section
 34 43A.08, subdivision 2a during the six-month period covered by
 35 the report.

36 Subd. 8. DONATION OF TIME. Notwithstanding any law
 37 to the contrary, the commissioner shall authorize the appointing
 38 authority to permit the donation of up to three hours of
 39 accumulated vacation time in each year by each employee who is a
 40 member of law enforcement unit number 1 to their union
 41 representative for the purpose of carrying out the duties of ~~his~~ *
 42 ~~or her~~ office. *

043A#07S

43 43A.07 CLASSIFIED SERVICE.

44 No change for subd 1 to 4

45 Subd. 5. LEAVES TO ACCEPT UNCLASSIFIED APPOINTMENTS.

46 An employee who is granted a leave of absence from a position in
 47 the classified service to accept a position in the unclassified
 48 service shall retain an inactive classified service status.
 49 Upon ~~his~~ request, during the unclassified appointment or within *
 50 sixty days of the end of the unclassified appointment, the
 51 employee shall be reappointed in the agency from which the
 52 employee was granted the leave, to a classified position
 53 comparable to that ~~which he~~ held immediately prior to being *
 54 appointed to the unclassified position.

55 Subd. 6. RIGHTS OF INCUMBENTS OF DECLASSIFIED
 56 POSITIONS. Except for just cause, an employee with permanent
 57 status shall not be removed from a position which is
 58 declassified for a period of one year following the
 59 declassification. An appointing authority may remove an
 60 incumbent of a declassified position after one year with 30 days
 61 prior notice. At any time after the declassification, and prior
 62 to the end of the thirty-day notice period, if ~~he~~ so ~~requests~~ *
 63 requested, the employee shall be appointed within the same *
 64 agency to a classified position comparable to the position that
 65 was declassified or, if a comparable position is unavailable, to
 66 a position in that agency comparable to that ~~which he~~ held *
 67 immediately prior to being appointed to the declassified
 68 position.

043A#08S

69 43A.08 UNCLASSIFIED SERVICE.

70 Subdivision 1. UNCLASSIFIED POSITIONS. Unclassified
 71 positions are held by employees who are:

72 (a) Chosen by election or appointed to fill an elective

1 office;
 2 (b) Heads of agencies required by law to be appointed by
 3 the governor or other elective officers, and the executive or
 4 administrative heads of departments, bureaus, divisions and
 5 institutions specifically established by law in the unclassified
 6 service;

7 (c) Deputy and assistant agency heads, and one confidential
 8 secretary in the agencies listed in subdivision 1a;

9 (d) The confidential secretary to each of the elective
 10 officers of this state and, for the secretary of state, state
 11 auditor, and state treasurer, an additional deputy, clerk, or
 12 employee;

13 (e) Intermittent help employed by the commissioner of
 14 public safety to assist in the issuance of vehicle licenses;

15 (f) Employees in the offices of the governor and of the
 16 lieutenant governor, and one confidential employee for the
 17 governor in the office of the adjutant general;

18 (g) Employees of the legislature and of legislative
 19 committees or commissions; provided that employees of the
 20 legislative audit commission, except for the legislative
 21 auditor, the deputy legislative auditors, and their confidential
 22 secretaries, shall be employees in the classified service;

23 (h) Presidents, vice presidents, deans, other managers and
 24 professionals in academic and academic support programs,
 25 administrative or service faculty, teachers, research assistants
 26 and student employees eligible under terms of the federal
 27 economic opportunity act work study program in the state
 28 universities and community colleges. This paragraph shall not
 29 be construed to include the custodial, clerical or maintenance
 30 employees, or any professional or managerial employee performing
 31 duties in connection with the business administration of these
 32 institutions.

33 (i) Officers and enlisted persons in the national guard;

34 (j) Attorneys, legal assistants, examiners, and three
 35 confidential employees appointed by the attorney general or
 36 employed with ~~his~~ the attorney general's authorization; *

37 (k) Judges and all employees of the judicial branch,
 38 referees, receivers, jurors, and notaries public, except
 39 referees and adjusters employed by the department of labor and
 40 industry;

41 (l) Members of the state patrol; provided that selection
 42 and appointment of state patrol troopers shall be made in
 43 accordance with applicable laws governing the classified service;

44 (m) Chaplains employed by the state;

45 (n) Examination monitors and intermittent training
 46 instructors employed by the departments of employee relations
 47 and commerce;

48 (o) Student workers; and

49 (p) Employees unclassified pursuant to other statutory
 50 authority.

51 No change for subd 1a to 3

043A#081S

52 43A.081 TRANSITION.

53 No change for subd 1 to 3

54 Subd. 4. The commissioner of employee relations shall,
 55 within 30 days of the date on which the position is placed in
 56 the unclassified service pursuant to section 43A.08, subdivision
 57 1 or 1a, notify the incumbent of the position of ~~his-or-her~~ *
 58 rights under subdivision 3. Any person who elects to remain in
 59 the classified service shall notify the commissioner in writing
 60 of this election within 60 days after the commissioner's notice
 61 is sent. A person who fails to file this notice shall waive any
 62 rights under subdivision 3 to remain in the classified service.

63 No change for subd 5

043A#10S

64 43A.10 EXAMINATIONS; ELIGIBILITY TO COMPETE.

65 No change for subd 1 to 7

66 Subd. 8. ELIGIBILITY FOR QUALIFIED HANDICAPPED

67 EXAMINATIONS. The commissioner shall establish examination
 68 procedures for candidates whose handicaps are of such a severe
 69 nature that the candidates are unable to demonstrate their
 70 abilities in competitive examination processes. The examination
 71 procedures shall consist of up to 700 hours on-the-job trial
 72 work experience which will be in lieu of a competitive
 73 examination and for which the disabled person ~~will-be~~ has the *
 74 option of being paid or unpaid ~~at-his-or-her-option~~. This work *

1 experience shall be limited to candidates for appointment,
 2 promotion, or transfer who have a physical or mental impairment
 3 for which there is no reasonable accommodation in the
 4 examination process. Implementation of provisions of this
 5 subdivision shall not be deemed a violation of other provisions
 6 of Laws 1981, chapter 210 or chapter 363.

043A#11S

7 43A.11 VETERAN'S PREFERENCE.

8 No change for subd 1 to 2

9 Subd. 3. NONDISABLED VETERAN'S CREDIT. There shall
 10 be added to the competitive open examination rating of a
 11 nondisabled veteran, ~~if he~~ who so elects, a credit of five *
 12 points provided that the veteran obtained a passing rating on
 13 the examination without the addition of the credit points.

14 Subd. 4. DISABLED VETERAN'S CREDIT. There shall be
 15 added to the competitive open examination rating of a disabled
 16 veteran, ~~if he~~ who so elects, a credit of ten points provided *
 17 that the veteran obtained a passing rating on the examination
 18 without the addition of the credit points. There shall be added
 19 to the competitive promotional examination rating of a disabled
 20 veteran, ~~if he~~ who so elects, a credit of five points provided *
 21 that (a) the veteran obtained a passing rating on the
 22 examination without the addition of the credit points and (b)
 23 the veteran is applying for ~~his~~ a first promotion after securing *
 24 public employment.

25 Subd. 5. DISABLED VETERAN; DEFINITIONS. For the
 26 purpose of the preference to be used in securing appointment
 27 from a competitive open examination, "disabled veteran" means a
 28 person who has a compensable service connected disability as
 29 adjudicated by the United States Veterans Administration, or by
 30 the retirement board of one of the several branches of the armed
 31 forces, which disability is existing at the time preference is
 32 claimed. For purposes of the preference to be used in securing
 33 appointment from a competitive promotional examination,
 34 "disabled veteran" means a person who, at the time of election
 35 to use ~~his~~ a promotional preference, is entitled to disability *
 36 compensation under laws administered by the veterans
 37 administration for a permanent service connected disability
 38 rated at 50 percent or more.

39 No change for subd 6 to 9

043A#17S

40 43A.17 SALARY LIMITS, RATES, RANGES AND EXCEPTIONS.

41 No change for subd 1 to 5

42 Subd. 6. SALARY ON TRANSFER. The commissioner may
 43 authorize an employee transferring between two classes
 44 established as equivalent for purposes of transfer to retain a
 45 rate of compensation above the maximum of the range of the class
 46 to which the employee is transferring. The commissioner shall
 47 take such action as required by a collective bargaining
 48 agreement or plans pursuant to section 43A.18. Thereafter, so
 49 long as the employee remains in the same class, the employee
 50 shall receive an increase in salary only as provided pursuant to
 51 applicable collective bargaining agreements or plans pursuant to
 52 section 43A.18, until ~~his~~ the employee's salary is within the *
 53 range of the class to which ~~his~~ the position is allocated. *

54 No change for subd 7 to 9

043A#18S

55 43A.18 TOTAL COMPENSATION; COLLECTIVE BARGAINING
 56 AGREEMENTS; PLANS.

57 No change for subd 1 to 2

58 Subd. 3. MANAGERIAL PLAN. The commissioner shall
 59 identify individual positions or groups of positions in the
 60 classified and unclassified service, in the executive branch as
 61 being managerial. The list shall not include positions listed
 62 in subdivision 4. The commissioner shall annually submit the
 63 listing of positions to the ~~chairperson~~ chair of the legislative *
 64 commission on employee relations for the commission's review and
 65 comment, and shall note on each listing the changes from the
 66 prior year.

67 (a) The commissioner shall periodically prepare a plan for
 68 total compensation and terms and conditions of employment for
 69 employees of those positions identified as being managerial and
 70 whose salaries and benefits are not otherwise provided for in
 71 law or other plans established under chapter 43A. Before
 72 becoming effective those portions of the plan establishing
 73 compensation and terms and conditions of employment shall be

1 reviewed and approved or modified by the legislative commission
2 on employee relations and the legislature in the same manner as
3 provided for the commissioner's plan in subdivision 2.

4 (b) Incumbents of managerial positions as identified under
5 this subdivision shall be excluded from any bargaining units
6 under the provisions of chapter 179.

7 (c) The management compensation plan shall provide methods
8 and levels of compensation for managers that will be generally
9 comparable to those applicable to managers in other public and
10 private employment. Provisions of the plan shall ensure that
11 compensation within assigned salary ranges is related to level
12 of performance. The plan shall also provide a procedure for
13 establishment of a salary rate for a newly created position and
14 a new appointee to an existing position and for progression
15 through assigned salary ranges. The employee benefits
16 established under the provisions of the managerial plan may be
17 extended to agency heads whose salaries are established in
18 section 15A.081, subdivision 1, and to constitutional officers,
19 judges of the workers' compensation court of appeals, and tax
20 court judges.

21 No change for subd 4 to 8

043A#24S

22 43A.24 ELIGIBILITY FOR STATE PAID INSURANCE AND BENEFITS.

23 No change for subd 1

24 Subd. 2. OTHER ELIGIBLE PERSONS. The following
25 persons are eligible for state paid life insurance and hospital,
26 medical and dental benefits as determined in applicable
27 collective bargaining agreements or by the commissioner or by
28 plans pursuant to section 43A.18, subdivision 6, or by the Board
29 of Regents for employees of the University of Minnesota not
30 covered by collective bargaining agreements.

31 (a) A member of the state legislature, provided that
32 changes in benefits resulting in increased costs to the state
33 shall not be effective until expiration of the term of the
34 members of the existing house of representatives. An eligible
35 member of the state legislature may decline to be enrolled for
36 state paid coverages by filing a written waiver with the
37 commissioner. The waiver shall not prohibit the member from
38 enrolling ~~himself~~ the member or ~~his~~ dependents for optional *
39 coverages, without cost to the state, as provided for in section
40 43A.26.. A member of the state legislature who returns from a *
41 leave of absence to a position ~~he~~ previously occupied in the *
42 civil service shall be eligible to receive the life insurance
43 and hospital, medical and dental benefits to which ~~his~~ the *
44 position is entitled;

45 (b) A permanent employee of the legislature or a permanent
46 employee of a permanent study or interim committee or commission
47 or a state employee on leave of absence to work for the
48 legislature, during a regular or special legislative session;

49 (c) A judge of the appellate courts or an officer or
50 employee of these courts; a judge of the district court, a judge
51 of county court, a judge of county municipal court, or a judge
52 of probate court; a district administrator; and an employee of
53 the office of the district administrator of the fifth or the
54 eighth judicial districts;

55 (d) A salaried employee of the public employees retirement
56 association;

57 (e) A full-time military or civilian officer or employee in
58 the unclassified service of the department of military affairs
59 whose salary is paid from state funds;

60 (f) A salaried employee of the Minnesota historical
61 society, whether paid from state funds or otherwise, who is not
62 a member of the governing board;

63 (g) An employee of the regents of the University of
64 Minnesota; and

65 (h) Notwithstanding section 43A.27, subdivision 3, an
66 employee of the state of Minnesota or the regents of the
67 University of Minnesota who is at least 60 and not yet 65 years
68 of age on July 1, 1982 who is otherwise eligible for employee
69 and dependent insurance and benefits pursuant to section 43A.18
70 or other law, who has at least 20 years of service and retires,
71 earlier than required, within 60 days of March 23, 1982; or an
72 employee who is at least 60 and not yet 65 years of age on July
73 1, 1982 who has at least 20 years of state service and retires,
74 earlier than required, from employment at Rochester state
75 hospital after July 1, 1981; or an employee who is at least 55

1 and not yet 65 years of age on July 1, 1982 and is covered by
 2 the Minnesota state retirement system correctional employee
 3 retirement plan or the state patrol retirement fund, who has at
 4 least 20 years of state service and retires, earlier than
 5 required, within 60 days of March 23, 1982. For purposes of
 6 this clause, a person retires when the person terminates active
 7 employment in state or University of Minnesota service and
 8 applies for a retirement annuity. Eligibility shall cease when
 9 the retired employee attains the age of 65, or when the employee
 10 chooses not to receive the annuity that the employee has applied
 11 for. The retired employee shall be eligible for coverages to
 12 which ~~he~~ the employee was entitled at the time of retirement,
 13 subject to any changes in coverage through collective bargaining
 14 or plans established pursuant to section 43A.18, for employees
 15 in positions equivalent to that from which ~~he~~ retired, provided
 16 that the retired employee shall not be eligible for state-paid
 17 life insurance. Coverages shall be coordinated with relevant
 18 health insurance benefits provided through the federally
 19 sponsored medicare program.

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043A#27S

20 43A.27 ELIGIBILITY FOR INDIVIDUAL PAID INSURANCE AND
21 BENEFITS.

22 Subdivision 1. GENERAL. Notwithstanding any other
 23 provisions of Laws 1981, Chapter 210, the persons listed in
 24 subdivisions 2 and 3, and their dependents, may elect to enroll
 25 at their own expense in the appropriate life insurance,
 26 hospital, medical and dental benefits, and optional coverages at
 27 the time, in the manner, and under conditions of eligibility the
 28 commissioner prescribes and otherwise approves. The
 29 commissioner may also provide for payroll deductions to be made
 30 in the same manner and under the same conditions as provided in
 31 section 43A.30, subdivision 2 authorizing payroll deductions for
 32 an eligible employee and ~~his~~ the employee's dependents.

*

33 No change for subd 2

34 Subd. 3. RETIRED EMPLOYEES. A retired employee of
 35 the state who receives an annuity under a state retirement
 36 program may elect to purchase at ~~his-own~~ personal expense
 37 individual and dependent hospital, medical and dental coverages
 38 made available through collective bargaining agreements or plans
 39 established pursuant to section 43A.18 to employees in positions
 40 equivalent to that from which ~~he~~ retired. A spouse of a
 41 deceased retired employee who received an annuity under a state
 42 retirement program may purchase the coverage listed in this
 43 subdivision if the spouse was a dependent under the retired
 44 employee's coverage at the time of ~~his~~ the employee's death.
 45 Coverages shall be coordinated with relevant health insurance
 46 benefits provided through the federally sponsored medicare
 47 program. Appointing authorities shall provide notice to
 48 employees no later than the effective date of their retirement
 49 of the right to exercise the option provided in this
 50 subdivision. The retired employee must notify the commissioner
 51 or ~~his~~ designee of the commissioner within 30 days after the
 52 effective date of ~~his~~ the retirement of ~~his-intention~~ intent to
 53 exercise this option.

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54 No change for subd 4 to 5

043A#30S

55 43A.30 PAYMENT OF PREMIUMS.

56 No change for subd 1

57 Subd. 2. PAYROLL DEDUCTION. If an eligible person
 58 who is on any payroll of the state ~~enrolls-himself~~ or ~~his an~~
 59 eligible person's dependents is enrolled for any of the optional
 60 coverages made available by the commissioner pursuant to section
 61 43A.26 the commissioner of finance, upon the person's written
 62 order, shall deduct from the salary or wages of the person those
 63 amounts required from time to time to maintain the optional
 64 coverages in force, and issue ~~his~~ a warrant therefor to the
 65 appropriate carrier.

*

*

*

66 Subd. 3. Repealed, 1Sp1981 c 4 art 4 s 10

67 No change for subd 4 to 5

043A#31S

68 43A.31 ADMINISTRATION.

69 No change for subd 1 to 3

70 Subd. 4. INSURANCE ADVISORY TASK FORCE. The
 71 commissioner may appoint and serve as ~~chairman~~ chair of an
 72 insurance advisory task force consisting of 12 members. Three
 73 members shall be selected from names submitted by exclusive

*

1 representatives of state employees. One member shall be
 2 selected from names submitted by exclusive representatives of
 3 employees of the University of Minnesota. One member shall be
 4 selected from names submitted by organizations representing
 5 retired state employees. One member shall be selected from
 6 names submitted by the regents of the University of Minnesota.
 7 The commissioners of administration, commerce, health and
 8 finance, and the deputy commissioner for labor relations or
 9 their designees, shall serve as the other members. Except as
 10 provided in this section, the provisions of section 15.059 shall
 11 apply to the members of the task force. The task force shall
 12 advise the commissioner in matters relating to insurance,
 13 including the administration, design, and financing of insurance
 14 programs. Evidence of discussions, recommendations or decisions
 15 by the council shall not be submitted to any court or arbitrator
 16 in any matter involving state or University of Minnesota
 17 employees.

043A#32S

18 43A.32 POLITICAL ACTIVITIES.

19 No change for subd 1

20 Subd. 2. LEAVES OF ABSENCE FOR ELECTED PUBLIC

21 OFFICIALS, CANDIDATES. Except as herein provided any officer
 22 or employee in the classified service shall:23 (a) Take leave of absence upon assuming an elected federal
 24 or state public office, including elected state legislative
 25 office;26 (b) Take leave of absence upon assuming any elected public
 27 office other than enumerated in clause (a), if, in the opinion
 28 of the commissioner, the holding of the office conflicts with
 29 his regular state employment;30 (c) Upon his request, be granted leave of absence upon
 31 becoming a candidate, or during the course of his candidacy, for
 32 any elected public office; and33 (d) Take leave of absence upon becoming a candidate, or
 34 during the course of candidacy, for any elected public office
 35 if, in the opinion of the commissioner, the candidacy conflicts
 36 with his regular state employment. *37 All requests for opinions of the commissioner and all
 38 opinions from the commissioner under the provisions of clauses
 39 (b) and (d) shall be in writing and shall be delivered by
 40 certified mail. *41 The commissioner shall issue an opinion under the
 42 provisions of clauses (b) and (d) within seven calendar days of
 43 receipt of the request. *

043A#33S

44 43A.33 GRIEVANCES.

45 No change for subd 1 to 3

46 Subd. 4. APPEALS; PUBLIC HEARINGS, FINDINGS. Within
 47 ten days of receipt of the employee's written notice of appeal,
 48 the chief administrative law judge shall assign an
 49 administrative law judge to hear the appeal.50 The hearing shall be conducted pursuant to the contested
 51 case provisions of chapter 14 and the procedural rules adopted
 52 by the chief administrative law judge. If the administrative
 53 law judge finds, based on the hearing record, that the action
 54 appealed was not taken by the appointing authority for just
 55 cause, the employee shall be reinstated to his the position, or
 56 an equal position in another division within the same agency,
 57 without loss of pay. If the administrative law judge finds that
 58 there exists sufficient grounds for institution of the
 59 appointing authority's action but the hearing record establishes
 60 extenuating circumstances, the administrative law judge may
 61 reinstate the employee, with full, partial, or no pay, or may
 62 modify the appointing authority's action. The administrative
 63 law judge's order shall be the final decision, but it may be
 64 appealed according to the provisions of sections 14.63 to 14.68.
 65 Settlement of the entire dispute by mutual agreement is
 66 encouraged at any stage of the proceedings. Any settlement
 67 agreement shall be final and binding when signed by all parties
 68 and submitted to the chief administrative law judge of the
 69 office of administrative hearings. Except as provided in
 70 collective bargaining agreements the appointing authority shall
 71 bear the costs of the administrative law judge for hearings
 72 provided for in this section. *

043A#34S

73 43A.34 RETIREMENT.

1 No change for subd 1
 2 Subd. 2. PHYSICIANS EXEMPTED. Notwithstanding any
 3 provision to the contrary, a physician in the civil service may
 4 upon reaching the maximum retirement age specified in
 5 subdivision 1, continue to be employed subject to annual
 6 certification by ~~his~~ the physician's appointing authority to the *
 7 commissioner that the employee is physically and mentally *
 8 competent to fulfill the duties of ~~his~~ the position.

9 Subd. 3. CORRECTIONAL PERSONNEL EXEMPTED.
 10 Notwithstanding the provisions of subdivision 1, any employee of
 11 the state of Minnesota in a covered classification as defined in
 12 section 352.91, who is a member of the special retirement
 13 program for correctional personnel established pursuant to
 14 sections 352.90 to 352.95, may elect or be required to retire
 15 from employment in the covered correctional position upon
 16 reaching the age of 55 years.

17 A correctional employee occupying a position covered by
 18 provisions of section 352.91, desiring employment beyond the
 19 conditional mandatory retirement age shall, at least 30 days
 20 prior to the date of reaching the conditional mandatory
 21 retirement age of 55 years, and annually thereafter, request in
 22 writing to ~~his~~ the employee's appointing authority ~~that he be~~ *
 23 ~~authorized~~ authorization to continue in employment in the *
 24 covered position. Upon receiving the request, the appointing
 25 authority shall have a medical examination made of the
 26 employee. If the results of the medical examination establish
 27 the mental and physical ability of the employee to continue the
 28 duties of ~~his~~ the employee employment, ~~he~~ the employee shall be continued in *
 29 ~~his~~ employment for the following year. If the determination of *
 30 the appointing authority based upon the results of the physical
 31 examination is adverse, the disposition of the matter shall be
 32 decided by the commissioner of corrections or, for employees of
 33 the Minnesota security hospital, the commissioner of human
 34 services. Based on the information provided, the decision of
 35 the applicable commissioner shall be made in writing and shall
 36 be final.

37 No change for subd 4

044*#04S

38 44.04 PERSONNEL BOARD.
 39 Subdivision 1. APPOINTMENT, TERMS, OATH. Within 30
 40 days after the effective date of the merit system ordinance in
 41 any municipality, a personnel board shall be appointed. Except
 42 as provided in subdivisions 2 and 3, the board shall consist of
 43 three members and be appointed by the mayor with the consent of
 44 the council. Each member shall serve for a term of three years,
 45 except that of the members first appointed, one shall be
 46 appointed for a term of one year, one for a term of two years,
 47 and one for a term of three years; and each shall serve until *
 48 ~~his~~ a successor is appointed and qualified. A member may be *
 49 removed by the mayor with the consent of the council for cause
 50 after written notice and an opportunity to be heard. No member
 51 shall hold any other municipal position. Before entering upon *
 52 ~~his~~ the duties of office, each member shall subscribe and file *
 53 with the city clerk or recorder an oath for the faithful *
 54 discharge of ~~his~~ the duties. A ~~chairman~~ chair shall be elected *
 55 under such rules as the board may adopt.

56 Subd. 2. ~~POLICEMEN'S~~ POLICE OR FIREFIGHTER'S CIVIL *
 57 SERVICE COMMISSION, AS PERSONNEL BOARD. When a merit system *
 58 ordinance is adopted in any municipality having a police or
 59 firefighter's civil service commission, the existing commission
 60 shall become the personnel board and its members shall serve for
 61 the duration of terms for which they were originally appointed.
 62 Successors shall be appointed for three-year terms as provided
 63 in subdivision 1.

64 No change for subd 3

65 Subd. 4. MEETINGS. The board shall hold regular and
 66 special meetings as provided by its rules. All meetings and
 67 hearings shall be open to the public. Two members of the board
 68 shall constitute a quorum. Members shall be paid all necessary
 69 expenses. The board shall select a secretary to serve at the
 70 pleasure of the board. The secretary may be a member of the
 71 board or an employee of the municipality. The council may
 72 authorize the payment of compensation for ~~his~~ the secretary's *
 73 services, not exceeding \$100 a year and may authorize the *
 74 payment of compensation for the members of the board not
 75 exceeding \$150 per year.

044*#07S

1 44.07 EXAMINATIONS.
2 No change for subd 1
3 Subd. 2. NOTICE. Public notice of the time and
4 place of an examination shall be given by one publication in the
5 official newspaper of the municipality, or in a newspaper of
6 general circulation in the municipality if there is no official
7 newspaper, at least ten days in advance of the examination and
8 by posting for a similar period. A written notice shall also be
9 mailed in advance of the examination to each person who has
10 submitted ~~his~~ an application for the position to the board *
11 before the public notice is given.
12 No change for subd 3

044*#08S

13 44.08 EMPLOYEES, DISMISSAL.
14 No change for subd 1
15 Subd. 2. PUBLIC HEARING, WITNESSES. The hearing on
16 the charges shall be open to the public and each member of the
17 board shall have the power to issue subpoenas, to administer
18 oaths, and to compel the attendance and testimony of witnesses
19 and the production of books and papers relevant to the
20 investigation. The board shall require by subpoena the
21 attendance of any witness requested by the employee who can be
22 found in the county. The board may make complaint to the
23 district court of disobedience of its subpoenas or orders and
24 the court shall prescribe notice to the person accused and
25 require ~~him-to-obey~~ obedience to the board's subpoena and order *
26 and punish disobedience as a contempt of court. Witnesses shall
27 be entitled to the same fees and mileage as for attendance upon
28 the district court, except that any officer, agent, or employee
29 of the municipality who receives compensation shall not be
30 entitled to fees or mileage.
31 Subd. 3. DETERMINATION. If, after the hearing, the
32 board finds that the charges are sustained, the dismissal or
33 suspension shall be final unless an appeal to the courts is
34 taken under section 44.09. If the board finds that the charges
35 are not sustained, the employee, if ~~he-has-been~~ suspended *
36 pending investigation, shall be immediately reinstated and shall
37 be paid all back pay due for the period of suspension; if ~~he-has~~ *
38 not ~~been~~ suspended, he the employee shall be continued in his *
39 the position as though the action had not been brought, subject *
40 to the right of the appointing authority to appeal as provided
41 in section 44.09.
42 No change for subd 4

044*#09S

43 44.09 APPEALS.
44 Subdivision 1. NOTICE. The employee or the
45 appointing authority may appeal to the district court from an
46 order of the board concerning the employee's dismissal or
47 suspension without pay for more than 30 days by serving written
48 notice of the appeal upon the secretary of the board within ten
49 days after ~~he-has-received~~ receiving written notice of the *
50 board's order.
51 Subd. 2. CERTIFICATION OF RECORD. Within five days
52 after receiving service of the notice upon-him, the secretary *
53 shall certify the record of the proceedings, including all
54 documents, testimony, and minutes to the clerk of the district
55 court. The clerk shall then place the cause on the calendar for
56 determination at the next general term of the court to be held
57 at the nearest place in the county where the municipality is
58 located. The question to be determined by the court shall be:
59 "Was the order of the personnel board reasonably supported by
60 the evidence?"
61 No change for subd 3

044*#10S

62 44.10 PROBATIONARY PERIOD.
63 Subdivision 1. EMPLOYEES IN CLASSIFIED SERVICE.
64 Except as provided in subdivision 2, every person holding a
65 position in the classified service of a municipality on the
66 effective date of the merit system ordinance and every person
67 subsequently appointed to such a position shall serve a
68 probationary period of six months. During this period, he the *
69 person may be dismissed summarily without compliance with *
70 section 44.08, but ~~his~~ the dismissal shall be in writing and *
71 reported to the board.
72 Subd. 2. POLICE OR FIRE DEPARTMENT EMPLOYEES.

1 Subject to the completion of an existing probationary period,
 2 any permanent employee of a police or fire department under the
 3 jurisdiction of a police or fire civil service commission at the
 4 time of the effective date of a merit system ordinance shall
 5 automatically become a permanent employee in the classified
 6 service subject to and protected by this chapter without the
 7 service of any additional probationary period thereunder for the
 8 position ~~he then occupies~~ occupied. *

044*#15S

9 44.15 FORBIDDEN PRACTICES.

10 Subdivision 1. INFLUENCING EXAMINATION, APPOINTMENT, OR
 11 PROMOTION. No applicant for examination, appointment or
 12 promotion in the classified service of a municipality shall
 13 directly or indirectly give, render, or pay, or promise to give,
 14 render or pay, any money, service or other thing to any person,
 15 for or on account of, or in connection, with ~~his~~ an examination,
 16 appointment or proposed appointment or promotion. Any person
 17 violating this provision shall be guilty of a misdemeanor. *

18 No change for subd 2

044A#01S

19 44A.01 WORLD TRADE CENTER BOARD.

20 Subdivision 1. MEMBERSHIP. (a) A world trade center
 21 board is created to facilitate and support Minnesota world trade
 22 center programs and services and promote the growth of
 23 international trade in Minnesota. The world trade center board
 24 consists of nine voting members and four legislators serving as
 25 nonvoting members. Three members are representatives of the
 26 membership of the Minnesota world trade center, one member is a
 27 representative of the international business community, and one
 28 member is a representative of the agricultural community.

29 (b) The initial voting members are appointed by the
 30 governor with the advice and consent of the senate for a term
 31 expiring the first Monday in January 1987. A vacancy is filled
 32 in the same manner as the appointment.

33 (c) Legislator members are two members of the senate
 34 appointed under the rules of the senate and two members of the
 35 house of representatives appointed by the speaker. Except for
 36 the initial members, who are to be appointed following
 37 enactment, they are appointed at the beginning of each regular
 38 session of the legislature for two-year terms. A legislator who
 39 remains a member of the body from which ~~he~~ the legislator was
 40 appointed may serve until a successor is appointed and
 41 qualifies. A vacancy in a legislator member's term is filled
 42 for the unexpired portion of the term in the same manner as the
 43 original appointment. *

44 No change for subd 2 to 3

046*#01S

45 46.01 POWERS.

46 No change for subd 1

47 Subd. 2. The commissioner of commerce may promulgate rules
 48 as necessary to administer or execute the laws relating to
 49 financial institutions subject to ~~his~~ the commissioner's
 50 supervision or examination. *

046*#03S

51 46.03 SEAL OF DEPARTMENT OF COMMERCE.

52 The commissioner of commerce, in Minnesota Statutes,
 53 Chapters 46 to 59, called the commissioner, shall devise a seal
 54 for ~~the official use of his office~~, which shall continue to be
 55 the seal of the department of commerce. A description of the
 56 seal; with an impression thereof, shall be filed in the office
 57 of the secretary of state. *

046*#04S

58 46.04 COMMISSIONER; POWERS.

59 Subdivision 1. The commissioner of commerce, referred to
 60 in Minnesota Statutes, Chapters 46 to 59, as the commissioner,
 61 is vested with all the powers, authority, and privileges which,
 62 prior to the enactment of Laws 1909, Chapter 201, were conferred
 63 by law upon the public examiner, and ~~he-or-she~~ shall take over
 64 all duties in relation to state banks, savings banks, trust
 65 companies, savings associations, and other financial
 66 institutions within the state which, prior to the enactment of
 67 chapter 201, were imposed upon the public examiner. The
 68 commissioner of commerce shall exercise a constant supervision,
 69 either personally or through the examiners herein provided for,
 70 over the books and affairs of all state banks, savings banks,
 71 trust companies, savings associations, credit unions, industrial *

1 loan and thrift companies, and other financial institutions
 2 doing business within this state; and shall, through examiners,
 3 examine each financial institution at least once every 18
 4 calendar months. In satisfying this examination requirement,
 5 the commissioner may accept reports of examination prepared by a
 6 federal agency having comparable supervisory powers and
 7 examination procedures. With the exception of industrial loan
 8 and thrift companies which do not have deposit liabilities and
 9 licensed regulated lenders, it shall be the principal purpose of
 10 these examinations to inspect and verify the assets and
 11 liabilities of each and so far investigate the character and
 12 value of the assets of each institution as to determine with
 13 reasonable certainty that the values are correctly carried on
 14 its books. Assets and liabilities shall be verified in
 15 accordance with methods of procedure which the commissioner may
 16 determine to be adequate to carry out the intentions of this
 17 section. It shall be the further purpose of these examinations
 18 to assess the adequacy of capital protection and the capacity of
 19 the institution to meet usual and reasonably anticipated deposit
 20 withdrawals and other cash commitments without resorting to
 21 excessive borrowing or sale of assets at a significant loss, and
 22 to investigate each institution's compliance with applicable
 23 laws and regulations. Based on the examination findings, the
 24 commissioner shall make a determination as to whether the
 25 institution is being operated in a safe and sound manner. None
 26 of the above provisions limits the commissioner in making
 27 additional examinations as deemed necessary or advisable. The
 28 commissioner shall investigate the methods of operation and
 29 conduct of these institutions and their systems of accounting,
 30 to ascertain whether these methods and systems are in accordance
 31 with law and sound banking principles. The commissioner may
 32 make requirements as to records as deemed necessary to
 33 facilitate the carrying out of ~~his or her~~ the commissioner's *
 34 duties and to properly protect the public interest. The
 35 commissioner may examine, or cause to be examined by these
 36 examiners, on oath, any officer, director, trustee, owner,
 37 agent, clerk, customer, or depositor of any financial
 38 institution touching the affairs and business thereof, and may
 39 issue, or cause to be issued by the examiners, subpoenas, and
 40 administer, or cause to be administered by the examiners,
 41 oaths. In case of any refusal to obey any subpoena issued under
 42 the commissioner's direction, the refusal may at once be
 43 reported to the district court of the district in which the bank
 44 or other financial institution is located, and this court shall
 45 enforce obedience to these subpoenas in the manner provided by
 46 law for enforcing obedience to subpoenas of the court. In all
 47 matters relating to ~~his~~ official duties, the commissioner of *
 48 commerce has the power possessed by courts of law to issue
 49 subpoenas and cause them to be served and enforced, and all
 50 officers, directors, trustees, and employees of state banks,
 51 savings banks, trust companies, savings associations, and other
 52 financial institutions within the state, and all persons having
 53 dealings with or knowledge of the affairs or methods of these
 54 institutions, shall afford reasonable facilities for these
 55 examinations, make returns and reports to the commissioner of
 56 commerce as the commissioner may require; attend and answer,
 57 under oath, the commissioner's lawful inquiries; produce and
 58 exhibit any books, accounts, documents, and property as the
 59 commissioner may desire to inspect, and in all things aid the
 60 commissioner in the performance of ~~his or her~~ duties. *

61 No change for subd 2

046*#041S

62 46.041 BANK APPLICATIONS.

63 No change for subd 1 to 3

64 Subd. 4. APPROVAL, DISAPPROVAL, AFTER HEARING. If,
 65 upon the hearing, it appears to the commissioner that the
 66 application should be granted, ~~he~~ the commissioner shall, not *
 67 later than 90 days after the hearing, and after the applicants
 68 have otherwise complied with the provisions of law applicable to
 69 the organization of a bank, including the provisions herein
 70 contained, make and file in ~~his~~ the commissioner's office a *
 71 written order directing the issuance of a certificate of
 72 authorization as provided by law. If the certificate of
 73 authorization is not activated within a period of 12 months from
 74 date of issuance, the commissioner may upon written notice to
 75 the applicants request a new hearing. If the commissioner

1 decides that the application should not be granted, he the *
 2 commissioner shall deny the application and make a written order *
 3 to that effect, file it in his the commissioner's office, and *
 4 forthwith give notice thereof by certified mail to one of the
 5 incorporators named in the application for the proposed bank,
 6 addressed to the incorporator at the address stated in the
 7 application. Thereupon the commissioner shall refuse to issue
 8 the certificate of authorization to the proposed bank.

046*#042S

9 46.042 NOTICE AND HEARING, WHEN NOT GIVEN.

10 The commissioner of commerce may ~~at his discretion~~ *
 11 dispense with the notice and hearing provided for by section
 12 46.041 if application is made for the incorporation of a new
 13 bank to take over the assets of one or more existing banks or if
 14 the application contemplates the reorganization of a national
 15 bank into a state bank in the same locality.

046*#045S

16 46.045 MANDATORY INSURANCE OF ACCOUNTS.

17 No change for subd 1 to 2

18 Subd. 2a. CERTAIN TRUST COMPANIES; SECURED DEPOSIT
 19 EXCEPTIONS; VIOLATIONS. The requirements of this section may
 20 be met by trust companies not exercising banking powers, with
 21 the exception of deposit activities as defined in this
 22 subdivision, provided the following conditions are met:

23 (a) the number of nonfiduciary deposit accounts does not
 24 exceed 35, and;

25 (b) the total amount held in nonfiduciary deposit accounts
 26 does not exceed five percent of the aggregate of the trust
 27 company's capital stock, surplus, and undivided profits, and;

28 (c) the nonfiduciary funds deposited with the trust company
 29 referred to in (a) and (b) shall be secured against loss by the
 30 assignment, transfer to, and deposit with the commissioner of
 31 commerce or his a designee, of direct obligations of the United *
 32 States government in an amount, based upon the securities market
 33 value, of not less than 110 percent of such deposited funds,
 34 with the right of the trust company to collect the income and to
 35 substitute other like securities of equal value, and;

36 (d) each account holder must be disclosed to in writing
 37 that the account is not insured by the federal or state
 38 governments or their agencies, and;

39 (e) the determination of the limitations in (a) and (b)
 40 shall be made by the trust company from the records of the trust
 41 company and based upon statement of financial condition at the
 42 close of each business day, and security deposit defined in (c)
 43 adjusted if needed within one business day thereafter, and;

44 (f) any violation of the requirements in (a) through (e) of
 45 this subdivision shall be grounds for action by the commissioner
 46 under sections 46.24 to 46.33.

47 No change for subd 3

046*#05S

48 46.05 SUPERVISION OVER FINANCIAL INSTITUTIONS.

49 Every state bank, savings bank, trust company, savings
 50 association, and other financial institutions shall be at all
 51 times under the supervision and subject to the control of the
 52 commissioner of commerce. If, and whenever in the performance
 53 of his duties, the commissioner finds it necessary to make a *
 54 special investigation of any financial institution under his the *
 55 commissioner's supervision, and other than a complete *
 56 examination, he the commissioner shall make a charge therefor to *
 57 include only the necessary costs thereof. Such a fee shall be *
 58 payable to the commissioner on his the commissioner's making a *
 59 request for payment.

046*#06S

60 46.06 REFUSAL TO OBEY DIRECTIONS OF COMMISSIONER.

61 Every person who shall refuse or neglect to obey any lawful
 62 direction or order of the commissioner of commerce; withhold any
 63 information, book, record, paper or other thing called for by
 64 him the commissioner for the purpose of examination and *
 65 ascertaining the true condition of the corporation; wilfully *
 66 obstruct or mislead him the commissioner in the execution of his *
 67 duties, or falsely swear concerning any matter stated under *
 68 oath, shall be guilty of a felony; the minimum penalty thereof
 69 shall be a fine of \$3,000, or imprisonment in the Minnesota
 70 correctional facility-Stillwater for one year.

046*#07S

71 46.07 RECORDS.

1 Subdivision 1. The commissioner of commerce shall keep all
 2 proper records and files pertaining to the duties and work of
 3 ~~his~~ that office. *

4 Subd. 2. CONFIDENTIAL RECORDS. The commissioner
 5 shall divulge facts and information obtained in the course of
 6 examining financial institutions under ~~his~~ the commissioner's
 7 supervision only when and to the extent ~~that he is~~ required or
 8 permitted by law to report upon or take special action regarding
 9 the affairs of an institution, or ordered by a court of law to
 10 testify or produce evidence in a civil or criminal proceeding,
 11 except that ~~he~~ the commissioner may, ~~in his discretion,~~ furnish
 12 information as to matters of mutual interest to an official or
 13 examiner of the federal reserve system, the federal deposit
 14 insurance corporation, the federal savings and loan insurance
 15 corporation, the national credit union administration, a legally
 16 constituted state credit union share insurance corporation
 17 approved under section 52.24, the issuer of a commitment for
 18 insurance or guarantee of the certificates of an industrial loan
 19 and thrift company approved under section 53.10, or state and
 20 federal law enforcement agencies. The commissioner shall not be
 21 required to disclose the name of a debtor of a financial
 22 institution under ~~his~~ the commissioner's supervision, or
 23 anything relative to the private accounts, ownership, or
 24 transactions of an institution, or any fact obtained in the
 25 course of an examination thereof, except as herein provided.
 26 For purposes of this subdivision, a subpoena is not an order of
 27 a court of law. These records are classified confidential or
 28 protected nonpublic for purposes of the Minnesota government
 29 data practices act and their destruction, as prescribed in
 30 section 46.21, is exempt from the provisions of chapter 138 and
 31 Laws 1971, chapter 529, so far as their deposit with the state
 32 archives.

33 No change for subd 3
 046*#08S

34 46.08 EMPLOYEES.

35 Subdivision 1. ASSISTANT COMMISSIONER, EXAMINERS AND
 36 OTHER EMPLOYEES. The commissioner of commerce may appoint an
 37 assistant commissioner and such examiners, assistant examiners,
 38 stenographers, and such other employees as may be necessary to
 39 carry out the duties and responsibilities entrusted ~~to him,~~ *
 40 subject to such rules and regulations as may be established by
 41 civil service with regard to qualifications and general
 42 fitness. The assistant commissioner and examiners shall each
 43 give bond to the state in the sum of \$10,000 and the other
 44 employees, whenever so provided, shall each give bond to the
 45 state in such sum as may be designated by the commissioner of
 46 commerce; all such bonds to be approved by the commissioner of
 47 commerce and filed in the office of the secretary of state.
 48 During the absence or disability of the commissioner of commerce
 49 said assistant commissioner shall have charge of the office and
 50 administer its affairs. Such examiners shall confine their work
 51 to those institutions which are subject to the supervision of
 52 the commissioner of commerce and may be transferred from one
 53 supervisory district to another at the option of said
 54 commissioner when it shall appear that the interest of the
 55 department of commerce shall be better served by so doing.

56 Subd. 2. EXAMINER IN CHARGE OF LIQUIDATION. The
 57 commissioner of commerce may appoint an examiner in charge of
 58 liquidation and such special deputy examiners and other
 59 employees as are needed ~~by him~~ in the liquidation of banks. The
 60 certificates of appointment of the examiner in charge of
 61 liquidation, and of such special deputy examiners shall be filed
 62 in the office of the commissioner of commerce and a certified
 63 copy thereof shall be filed in the office of the secretary of
 64 state and in the office of the clerk of the district court of
 65 the county in which the principal office of the bank concerned
 66 was located. The qualifications of such examiner in charge of
 67 liquidation and special deputy examiners shall be the same as
 68 prescribed in subdivision 1 of this section for examiners. The
 69 commissioner of commerce may from time to time authorize any
 70 such special deputy examiner to perform such duties connected
 71 with such liquidation and distribution as ~~he~~ the commissioner *
 72 may deem proper. The commissioner of commerce shall require
 73 from the examiner in charge of liquidation and each special
 74 deputy examiner such bond for the faithful discharge of ~~his~~ *
 75 duties as ~~he~~ the commissioner may deem proper. The commissioner *

1 of commerce may procure such expert assistance as may be
 2 necessary in the liquidation and distribution of the assets of
 3 such bank and may retain such of its officers or employees as he *
 4 the commissioner may deem necessary. *

5 Subd. 3. EXAMINERS NOT TO EXAMINE INSTITUTIONS IN WHICH
 6 THEY HAVE A FINANCIAL INTEREST. No examiner shall have the
 7 right to examine any bank, savings bank or other financial
 8 corporation in which he the examiner may have an interest, *
 9 either directly or indirectly. *

046*#09S

10 46.09 DEPARTMENT OF COMMERCE EXAMINERS OR EMPLOYEES NOT
 11 TO MAINTAIN INTEREST IN SUPERVISED INSTITUTIONS.

12 No change for subd 1 to 2

13 Subd. 3. LOANS AND CREDIT ADVANCES. The exceptions
 14 created in subdivision 2 do not include a loan or advance of
 15 credit from a financial institution or licensee subject to
 16 examination by the commissioner of commerce. A transaction not
 17 specifically exempt by subdivision 2, clauses (1) to (3), is
 18 subject to disclosure to the commissioner of commerce ~~at his~~ *
 19 upon request to determine if a conflict of interest exists or *
 20 interest contemplated by subdivision 1.

046*#11S

21 46.11 EXAMINERS' DISTRICTS.

22 For the purpose of the better administration of ~~his~~ the *
 23 department, the commissioner of commerce shall divide the
 24 counties of the state into as many districts for the purpose of
 25 supervision as may be practical, taking into consideration the
 26 volume of work represented and the number of examiners or
 27 assistants available, and shall also designate the district in
 28 which each of the examiners or assistants appointed under the
 29 provisions of section 46.08 shall make examinations. In
 30 arranging the districts, the commissioner of commerce shall also
 31 consider the matter of convenience and economy as much as
 32 possible in covering the same by examiners.

046*#12S

33 46.12 REPORTS OF EXAMINERS.

34 Each examiner appointed under Laws 1909, Chapter 201, as
 35 amended, shall make report to the commissioner of commerce
 36 immediately after the completion of an examination of the actual
 37 financial condition of the institution examined, with such
 38 recommendations and suggestions as he the examiner may deem *
 39 advisable. *

046*#131S

40 46.131 EXAMINATION FEES FOR FINANCIAL INSTITUTIONS.

41 No change for subd 1 to 7

42 Subd. 8. In addition to such assessments, each institution
 43 referred to in subdivision 2, with the exception of credit
 44 unions under \$25,000, shall pay an examination fee upon the
 45 request of the commissioner and to be based on the salary cost
 46 of examiners or assistants, and at such an average rate per ~~man~~ *
 47 day or fraction thereof so as to provide for the total cost of
 48 such examinations.

49 No change for subd 9 to 10

046*#14S

50 46.14 EXAMINERS' POWERS ENLARGED.

51 The examiner in charge of liquidation in the department of
 52 commerce is hereby authorized to sign the name of the
 53 commissioner of commerce and to act for ~~him~~ the commissioner in *
 54 all matters connected with the liquidation of insolvent
 55 corporations under the supervision and control of the
 56 commissioner of commerce, with the same force and effect as
 57 though the commissioner ~~himself~~ had signed or acted; provided, *
 58 that the examiner shall have no authority to order an assessment
 59 against the stockholders of an insolvent state bank or trust
 60 company under the provisions of Laws 1927, Chapter 254, as
 61 amended.

046*#17S

62 46.17 SALARY OF EXAMINER IN CHARGE OF LIQUIDATION.

63 The commissioner of commerce shall fix the salary of the
 64 examiner in charge of liquidation appointed by ~~him~~ the *
 65 commissioner, but not to exceed the salary of a bank examiner in *
 66 the classified service of the state and the same shall be paid
 67 out of the funds of banks in the hands of the commissioner of
 68 commerce for liquidation.

046*#21S

69 46.21 DESTRUCTION OF CERTAIN RECORDS.

1 No change for subd 1
 2 Subd. 2. UPON LIQUIDATION. At any time after ten
 3 years from the date of payment of the final dividend in
 4 liquidation, the commissioner of commerce may destroy the
 5 records, documents, or correspondence of any financial
 6 corporation of which ~~he~~ the commissioner has taken possession or *
 7 any records, documents, or correspondence relating to
 8 liquidation of any financial corporation which has been
 9 liquidated.

046*#22S

10 46.22 RURAL CREDIT RECORDS.
 11 The commissioner of natural resources shall have charge of
 12 the records of the former department of rural credit;--~~He and~~ *
 13 shall provide the public with appropriate access to and copies
 14 of the records.

046*#26S

15 46.26 DIRECTORS, TRUSTEES AND OFFICERS, NOTICE OF
 16 INTENTION TO REMOVE FROM OFFICE OR TO PROHIBIT PARTICIPATION,
 17 SUSPENSION OR PROHIBITION.

18 Subdivision 1. Whenever in the opinion of the commissioner
 19 any director, trustee or officer of an institution has committed
 20 any violation of law; has violated a cease and desist order
 21 which has become final; has engaged or participated in any
 22 unsafe or unsound practice in connection with the institution;
 23 or has committed or engaged in any act, omission, or practice
 24 which constitutes a breach of ~~his~~ a fiduciary duty as a *
 25 director, trustee or officer of the institution, and the
 26 commissioner determines that the institution has suffered or
 27 will probably suffer substantial financial loss or other damage
 28 or that the interest of its depositors could be seriously
 29 prejudiced by reason of the violation, practice, or breach of
 30 fiduciary duty, the commissioner may serve a written notice of *
 31 intent to remove from office upon the director, trustee or *
 32 ~~officer a-written-notice-of-his-intention-to-remove-him-from~~ *
 33 ~~office.~~ *

34 Subd. 2. Whenever in the opinion of the commissioner any
 35 director, trustee or officer of an institution, by conduct or
 36 practice with respect to another institution or business
 37 organization which has resulted in substantial financial loss or
 38 other damage to that institution or business organization, has
 39 evidenced ~~his~~ a personal disability and unfitness to continue as *
 40 a director, trustee or officer of the institution, and whenever
 41 in the opinion of the commissioner any other person
 42 participating in the conduct of the affairs of an institution,
 43 by conduct or practice with respect to such institution, another
 44 institution, or other business organization which has resulted
 45 in substantial financial loss or other damage to the institution
 46 or business organization, has evidenced ~~his~~ a personal *
 47 disability and unfitness to participate in the conduct of the
 48 affairs of such institution, the commissioner may serve a *
 49 written notice upon the director, trustee, officer, or other *
 50 ~~person a-written-notice of his-intention~~ the commissioner's *
 51 intent to remove him that person from office or to prohibit his *
 52 further participation in any manner in the conduct of the
 53 affairs of the institution.

54 Subd. 3. Whenever any director, trustee or officer of an
 55 institution, or other person participating in the conduct of the
 56 affairs of an institution, is convicted in any state or federal
 57 court of a felony involving dishonesty or breach of trust the
 58 commissioner may serve upon the director, trustee, officer, or
 59 other person a written notice of ~~his~~ the commissioner's *
 60 intention to remove him the person from office or to prohibit *
 61 ~~his~~ further participation in any manner in the conduct of the *
 62 affairs of the institution.

63 Subd. 4. A notice of intention to remove a director,
 64 trustee, officer, or other person from office or to prohibit ~~his~~ *
 65 participation in the conduct of the affairs of an institution
 66 shall contain a statement of the facts constituting grounds
 67 therefor, and shall fix a time and place at which a hearing will
 68 be held thereon. The hearing shall be held not earlier than 10
 69 days nor later than 30 days after the date of service of the
 70 notice, unless an earlier or later date is set by the
 71 commissioner at the request of the director, trustee, officer,
 72 or other person and for good cause shown. Unless the director,
 73 trustee, officer, or other person appears at the hearing in
 74 person or by a duly authorized representative, ~~he~~ that person *

1 shall be deemed to have consented to the issuance of an order of
 2 removal or prohibition. In the event of consent, or if upon the
 3 record made at the hearing the commissioner finds that any of
 4 the grounds specified in the notice has been established, the
 5 commissioner may issue such orders of suspension, removal from
 6 office, or prohibition from participation in the conduct of the
 7 affairs of the institution as he the commissioner deems
 8 appropriate. The order shall become effective at the expiration
 9 of 30 days after service upon the institution and the director,
 10 trustee, officer, or other person concerned, except in the case
 11 of an order issued upon consent which shall become effective at
 12 the time specified therein. The order shall remain effective
 13 and enforceable until it is stayed, modified, terminated, or set
 14 aside by action of the commissioner or a reviewing court.

046*#30S

15 46.30 HEARINGS, DECISION; REVIEW, MODIFICATION,
 16 TERMINATION OR STAY OF ORDERS.

17 Subdivision 1. Any hearing provided for in sections 46.23
 18 to 46.33 shall be conducted in accordance with the provisions of
 19 chapter 14, provided, the hearing shall be private unless the
 20 commissioner after fully considering the views of the party
 21 afforded the hearing determines that a public hearing is
 22 necessary to protect the public interest. After the hearing and
 23 within 90 days after the commissioner has notified the parties
 24 that the case has been submitted to him for final decision, he
 25 the commissioner shall render ~~his~~ a decision which shall include
 26 findings of fact upon which ~~his~~ the decision is predicated and
 27 shall issue and serve upon each party to the proceeding an order
 28 consistent with the provisions of this section.

29 Subd. 2. Any party to the hearing, or any person required
 30 by an order issued under sections 46.23 to 46.33 to cease and
 31 desist from any of the violations or practices stated therein or
 32 to be suspended, removed, or prohibited from participation in
 33 the conduct of the affairs of an institution may obtain a review
 34 of any order, other than a consent order, which review shall be
 35 pursuant to chapter 14. Unless a petition for review is timely
 36 filed as provided in chapter 14, the commissioner, at any time,
 37 upon such notice and in such manner as he the commissioner deems
 38 proper may modify, terminate, or set aside the order. Upon the
 39 timely filing of a petition for review, the commissioner may
 40 modify, terminate, or set aside the order with the permission of
 41 the court.

42 No change for subd 3

047*#0152S

43 47.0152 POWER OF COMMISSIONER.

44 Whenever the commissioner is of the opinion that an
 45 emergency exists, or is impending, in the state or in a part of
 46 it, he the commissioner may, by proclamation, authorize
 47 financial institutions located in the affected area to close any
 48 or all of their offices. In addition, if the commissioner is of
 49 the opinion that an emergency exists, or is impending, which
 50 affects, or may affect, a particular financial institution or a
 51 particular office of it, but not financial institutions located
 52 in the area generally, he the commissioner may authorize the
 53 particular financial institution or office affected, to close or
 54 to temporarily relocate. The office closed shall remain closed
 55 until the commissioner proclaims that the emergency has ended,
 56 or until an earlier time when the officers of the financial
 57 institution determine that an office, closed because of the
 58 emergency, should reopen, and, in either event, for the further
 59 time reasonably necessary to reopen. The provisions of section
 60 47.101 shall be waived for a temporary location established due
 61 to an emergency.

047*#11S

62 47.11 SELECTION OF NAME.

63 Before execution of the certificate of incorporation of any
 64 such corporation, its proposed name shall be submitted to the
 65 commissioner of commerce, who shall compare it with those of
 66 corporations operating in the state, and if it is likely to be
 67 mistaken for any of them, or to confuse the public as to the
 68 character of its business, or is otherwise objectionable,
 69 additional names shall be submitted until a satisfactory one is
 70 selected, whereupon he the commissioner shall issue ~~his~~ a
 71 certificate of approval thereof.

047*#14S

72 47.14 CERTIFICATE, HOW ACCOMPANIED.

1 The certificate of incorporation, when presented to the
 2 commissioner of commerce, shall be accompanied, in the case of a
 3 bank, with the certificate of a solvent bank in this state of
 4 the deposit therein, in cash, to the credit of the proposed
 5 bank, and payable upon its order when countersigned by the
 6 commissioner of commerce, of an amount equal to its capital
 7 stock, surplus and undivided profits. In the case of a
 8 reorganization of a former national bank, it shall also be
 9 accompanied with the written consent of the holders of a
 10 majority of its former capital stock. In the case of a savings
 11 bank, it shall be accompanied with proof of four weeks'
 12 published notice of the intention of the incorporators to
 13 organize the same, specifying its proposed name and location,
 14 and the names of the proposed incorporators, and that a majority
 15 thereof reside in the county of its proposed location, and a
 16 sworn declaration by each proposed trustee that he the trustee
 17 will perform ~~his~~ the duties as such to the best of his that
 18 person's ability, according to law, with proof of the record of
 19 such declaration with the county recorder; and if there is a
 20 savings bank organized and doing business in such county, a copy
 21 of such notice shall be served by mail on such bank at least 15
 22 days before the filing of such certificate.

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047*#16S

23 47.16 CERTIFICATION BY COMMISSIONER.

24 Subdivision 1. If the commissioner of commerce is
 25 satisfied that the corporation has been organized for legitimate
 26 purposes, and under such conditions as to merit and have public
 27 confidence, and that all provisions of law applicable to every
 28 branch of business in which, by the terms of its certificate, it
 29 is authorized to engage, have been complied with, he the
 30 commissioner shall so certify. When the original certificate,
 31 with proof of publication thereof, and the certificate of
 32 incorporation from the secretary of state is filed with the
 33 commissioner of commerce, he the commissioner shall, within 60
 34 days thereafter, execute and deliver to it ~~his~~ a certificate of
 35 authority.

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36 Subd. 2. Repealed, 1982 c 473 s 30

047*#20S

37 47.20 USE OF FEDERAL ACTS; DEFINITIONS; INTEREST RATES;
38 REQUIRED PROVISIONS; INTEREST ON ESCROW ACCOUNTS; PENALTY.

39 No change for subd 1 to 3

40 Subd. 4a. MAXIMUM INTEREST RATE. No conventional or
 41 cooperative apartment loan or contract for deed shall be made at
 42 a rate of interest or loan yield in excess of a maximum lawful
 43 interest rate which shall be based upon the monthly index of the
 44 federal home loan mortgage corporation auction yields as
 45 compiled by the federal home loan mortgage corporation. The
 46 maximum lawful interest rate shall be computed as follows:

47 (1) The maximum lawful rate of interest for a conventional
 48 or cooperative apartment loan or contract for deed made or
 49 contracted for during any calendar month is equal to the monthly
 50 index of the federal home loan mortgage corporation auction
 51 yields for the first preceding calendar month plus an additional
 52 three-eighths of one percent per annum rounded off to the next
 53 highest quarter of one percent per annum.

54 (2) On or before the last day of each month the
 55 commissioner of commerce shall determine, based on available
 56 statistics, the monthly index of the federal home loan mortgage
 57 corporation auction yields for that calendar month and shall
 58 determine the maximum lawful rate of interest for conventional
 59 or cooperative apartment loans or contracts for deed for the
 60 next succeeding month as defined in clause (1) and shall cause
 61 the maximum lawful rate of interest to be published in a legal
 62 newspaper in Ramsey county on or before the first day of each
 63 month or as soon thereafter as practicable and in the state
 64 register on or before the last day of each month; the maximum
 65 lawful rate of interest to be effective on the first day of that
 66 month. If a federal home loan mortgage corporation eight month
 67 forward commitment purchase program is not held in any month,
 68 the maximum lawful rate of interest determined by the
 69 commissioner of commerce pursuant to the last auction is the
 70 maximum lawful rate of interest through the last day of the
 71 month in which the next auction is held.

72 (3) The maximum lawful interest rate applicable to a
 73 cooperative apartment loan or contract for deed at the time the
 74 loan or contract is made is the maximum lawful interest rate for

1 the term of the cooperative apartment loan or contract for
2 deed. Notwithstanding the provisions of section 334.01, a
3 cooperative apartment loan or contract for deed may provide, at
4 the time the loan or contract is made, for the application of
5 specified different consecutive periodic interest rates to the
6 unpaid principal balance, if no interest rate exceeds the
7 maximum lawful interest rate applicable to the loan or contract
8 at the time the loan or contract is made.

9 (4) Contracts for deed executed pursuant to a commitment
10 for a contract for deed, or conventional or cooperative
11 apartment loans made pursuant to a borrower's interest rate
12 commitment or made pursuant to a borrower's loan commitment, or
13 made pursuant to a commitment for conventional or cooperative
14 apartment loans made upon payment of a forward commitment fee
15 including a borrower's loan commitment issued pursuant to a
16 forward commitment, which commitment provides for consummation
17 within some future time following the issuance of the commitment
18 may be consummated pursuant to the provisions, including the
19 interest rate, of the commitment notwithstanding the fact that
20 the maximum lawful rate of interest at the time the contract for
21 deed or conventional or cooperative apartment loan is actually
22 executed or made is less than the commitment rate of interest,
23 provided the commitment rate of interest does not exceed the
24 maximum lawful interest rate in effect on the date the
25 commitment was issued. The refinancing of (a) an existing
26 conventional or cooperative apartment loan, (b) a loan insured
27 or guaranteed by the secretary of housing and urban development,
28 the administrator of veterans affairs, or the administrator of
29 the farmers home administration, or (c) a contract for deed by
30 making a conventional or cooperative apartment loan is deemed to
31 be a new conventional or cooperative apartment loan for purposes
32 of determining the maximum lawful rate of interest under this
33 subdivision. The renegotiation of a conventional or cooperative
34 apartment loan or a contract for deed is deemed to be a new loan
35 or contract for deed for purposes of clause (3) and for purposes
36 of determining the maximum lawful rate of interest under this
37 subdivision. A borrower's interest rate commitment or a
38 borrower's loan commitment is deemed to be issued on the date
39 the commitment is hand delivered by the lender to, or mailed to
40 the borrower. A forward commitment is deemed to be issued on
41 the date the forward commitment is hand delivered by the lender
42 to, or mailed to the person paying the forward commitment fee to
43 the lender, or to any one of them if there should be more than
44 one. A commitment for a contract for deed is deemed to be
45 issued on the date the commitment is initially executed by the
46 contract for deed vendor or ~~his~~ the vendor's authorized agent. *

47 (5) A contract for deed executed pursuant to a commitment
48 for a contract for deed, or a loan made pursuant to a borrower's
49 interest rate commitment, or made pursuant to a borrower's loan
50 commitment, or made pursuant to a forward commitment for
51 conventional or cooperative apartment loans made upon payment of
52 a forward commitment fee including a borrower's loan commitment
53 issued pursuant to a forward commitment at a rate of interest
54 not in excess of the rate of interest authorized by this
55 subdivision at the time the commitment was made continues to be
56 enforceable in accordance with its terms until the indebtedness
57 is fully satisfied.

58 No change for subd 4b to 5

59 Subd. 6. If the purpose of a conventional loan is to
60 enable a borrower to purchase a one to four family dwelling for
61 ~~his-or-her~~ the borrower's primary residence, the lender shall
62 consent to the subsequent transfer of the real estate if the
63 existing borrower continues after transfer to be obligated for
64 repayment of the entire remaining indebtedness. The lender
65 shall release the existing borrower from all obligations under
66 the loan instruments, if the transferee (1) meets the standards
67 of credit worthiness normally used by persons in the business of
68 making conventional loans, including but not limited to the
69 ability of the transferee to make the loan payments and
70 satisfactorily maintain the real estate used as collateral, and
71 (2) executes an agreement in writing with the lender whereby the
72 transferee assumes the obligations of the existing borrower
73 under the loan instruments. Any such agreement shall not affect
74 the priority, validity or enforceability of any loan
75 instrument. A lender may charge a fee not in excess of
76 one-tenth of one percent of the remaining unpaid principal

1 balance in the event the loan or advance of credit is assumed by
 2 the transferee and the existing borrower continues after the
 3 transfer to be obligated for repayment of the entire assumed
 4 indebtedness. A lender may charge a fee not in excess of one
 5 percent of the remaining unpaid principal balance in the event
 6 the remaining indebtedness is assumed by the transferee and the
 7 existing borrower is released from all obligations under the
 8 loan instruments. This subdivision applies to all conventional
 9 loans made on or after June 1, 1979, and before May 9, 1981.

10 Subd. 6a. LOAN ASSUMPTIONS. If the purpose of a
 11 conventional loan, or loan made pursuant to the authority
 12 granted in subdivision 1, clause (3) or (4), is to enable a
 13 borrower to purchase a one to four family dwelling for ~~his-or~~ *
 14 ~~her~~ the borrower's primary residence, the lender shall consent *
 15 to the subsequent transfer of the real estate and shall release
 16 the existing borrower from all obligations under the loan
 17 instruments, if the transferee (1) meets the standards of credit
 18 worthiness normally used by persons in the business of making
 19 conventional loans, including but not limited to the ability of
 20 the transferee to make the loan payments and satisfactorily
 21 maintain the real estate used as collateral, (2) executes an
 22 agreement in writing with the lender whereby the transferee
 23 assumes the obligations of the existing borrower under the loan
 24 instruments, and (3) executes an agreement in writing to pay
 25 interest on the remaining obligation at a new interest rate not
 26 to exceed the lender's current market rate of interest on
 27 similar loans at the time of the transfer, the most recently
 28 published monthly index of the federal home loan mortgage
 29 corporation auction yields or the existing interest rate
 30 provided for by the terms of the note, whichever is greater.
 31 Any such agreement shall not affect the priority, validity or
 32 enforceability of any loan instrument.

33 No change for subd 6b to 8

34 Subd. 9. (1) For purposes of this subdivision the term
 35 "mortgagee" shall mean all state banks and trust companies,
 36 national banking associations, state and federally chartered
 37 savings and loan associations, mortgage banks, mutual savings
 38 banks, insurance companies, credit unions or assignees of the
 39 above. Each mortgagee requiring funds of a mortgagor to be paid
 40 into an escrow, agency or similar account for the payment of
 41 taxes or insurance premiums with respect to a mortgaged one to
 42 four family, owner occupied residence located in this state,
 43 unless the account is required by federal law or regulation or
 44 maintained in connection with a conventional loan in an original
 45 principal amount in excess of 80 percent of the lender's
 46 appraised value of the residential unit at the time the loan is
 47 made or maintained in connection with loans insured or
 48 guaranteed by the secretary of housing and urban development, by
 49 the administrator of veterans affairs, or by the administrator
 50 of the farmers home administration, shall calculate interest on
 51 such funds at a rate of not less than five percent per annum.
 52 Such interest shall be computed on the average monthly balance
 53 in such account on the first of each month for the immediately
 54 preceding 12 months of the calendar year or such other fiscal
 55 year as may be uniformly adopted by the mortgagee for such
 56 purposes and shall be annually credited to the remaining
 57 principal balance on the mortgage, or at the election of the
 58 mortgagee, paid to the mortgagor or credited to ~~his~~ the *
 59 mortgagor's account. If the interest exceeds the remaining *
 60 balance, the excess shall be paid to the mortgagor or vendee.
 61 The requirement to pay interest shall apply to such accounts
 62 created prior to June 1, 1976 as well as to accounts created
 63 after June 1, 1976.

64 (2) A mortgagee offering the following option (c) to a
 65 mortgagor but not requiring maintenance of escrow accounts as
 66 described in clause (1), whether or not the accounts were
 67 required by the mortgagee or were optional with the mortgagor,
 68 shall offer to each of such mortgagors the following options:

69 (a) the mortgagor may personally manage the payment of *
 70 insurance and taxes ~~by-himself~~; *

71 (b) the mortgagor may open with the mortgagee a passbook
 72 savings account carrying the current rate of interest being paid
 73 on such accounts by the mortgagee in which the mortgagor can
 74 deposit the funds previously paid into the escrow account; or

75 (c) the mortgagor may elect to maintain a non-interest
 76 bearing escrow account as described in clause (1) to be serviced

1 by the mortgagee at no charge to the mortgagor.
 2 A mortgagee that is not a depository institution offering
 3 passbook savings accounts shall instead of offering option (b)
 4 above notify its mortgagors (1) that they may open such accounts
 5 at a depository institution and (2) of the current maximum legal
 6 interest rate on such accounts.

7 A mortgagee offering option (c) above to a mortgagor but
 8 not requiring the maintenance of escrow accounts shall notify
 9 its mortgagor of the options under (a), (b) and (c). The notice
 10 shall state the option and state that an escrow account is not
 11 required by the mortgagee, that the mortgagor is legally
 12 responsible for the payment of taxes and insurance, and that the
 13 notice is being given pursuant to this subdivision.

14 Notice shall be given within 30 days after the effective
 15 date of the provisions of Laws 1977, Chapter 350 amending the
 16 subdivision, as to mortgagees offering option (c) above to
 17 mortgagors but not requiring escrow accounts as of the effective
 18 date, or within 30 days after a mortgagee's decision to
 19 discontinue requiring escrow accounts if the mortgagee continues
 20 to offer option (c) above to mortgagors. If no reply is
 21 received within 30 days, option (c) shall be selected for the
 22 mortgagor but the mortgagor may, at any time, select another
 23 option.

24 A mortgagee making a new mortgage and offering option (c)
 25 above to a prospective mortgagor shall, at the time of loan
 26 application, notify the prospective mortgagor of options (a),
 27 (b) and (c) above which must be extended to the prospective
 28 mortgagor. The mortgagor shall select one of the options at the
 29 time the loan is made.

30 Any notice required by this clause (2) shall be on forms
 31 approved by the commissioner of commerce and shall provide that
 32 at any time a mortgagor may select a different option. The form
 33 shall contain a blank where the current passbook rate of
 34 interest shall be entered by the mortgagee. Any option selected
 35 by the mortgagor shall be binding on the mortgagee.

36 This clause (2) does not apply to escrow accounts which
 37 are excepted from the interest paying requirements of clause (1).

38 (3) A mortgagee shall be prohibited from charging a direct
 39 fee for the administration of the escrow account.

40 (4) A mortgagee shall make timely payments of tax and
 41 insurance bills provided that funds paid into the account by the
 42 mortgagor are sufficient for the payment. If there is a
 43 shortage of funds the mortgagee shall promptly notify the
 44 mortgagor of the shortage. Failure to make the payment required
 45 by this clause shall subject the mortgagee to liability for all
 46 damages caused by the failure except that this sentence shall
 47 not deprive the mortgagee of the right to present any legal
 48 defenses in any subsequent proceeding. The mortgagee is
 49 permitted to make any payment on behalf of the mortgagor even
 50 though there are not sufficient funds in a particular account to
 51 cover the payment.

52 No change for subd 10 to 15

047*#202S

53 47.202 COMMISSIONER'S REPORT ON FEDERAL PREEMPTION.

54 The commissioner of commerce shall, in ~~his~~ the next annual
 55 report to the legislature, as required by section 47.20,
 56 subdivision 12, include an analysis of the effect of the
 57 provisions of P. L. 96-211, Title V, Part A on real estate
 58 lending in Minnesota.

047*#23S

59 47.23 SAVINGS DEPARTMENTS.

60 Subdivision 1. Except as specifically authorized by other
 61 laws of this state, no individual, partnership, unincorporated
 62 association, or corporation, other than a savings bank, safe
 63 deposit company, or trust company, holding an effective
 64 certificate of authority or license issued by the commissioner
 65 of commerce and subject to and complying with all of the
 66 provisions of law relating to such savings banks, safe deposit
 67 companies, and trust companies, respectively, shall in any
 68 manner display or make use of any sign, symbol, token,
 69 letterhead, card, circular, or advertisement stating,
 70 representing, or indicating ~~that he, it, or they, are authorized~~
 71 authorization to transact the business which a savings bank,
 72 safe deposit company, or trust company usually does, or under
 73 these provisions is authorized to do; nor shall any such
 74 individual, partnership, unincorporated association, or

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1 corporation use the words "savings" or "trust" or "safe deposit"
 2 alone or in combination in title or name or otherwise, or in any
 3 manner solicit business or make loans or solicit or receive
 4 deposits or transact business as a savings bank, safe deposit
 5 company, or trust company; except that a state bank, or trust
 6 company, regularly incorporated and authorized to do business
 7 under the laws of this state, may establish and maintain a
 8 savings department under the supervision of the commissioner of
 9 commerce, and may solicit and receive deposits in this savings
 10 department and advertise the same as such, and every such trust
 11 company having a savings department shall use in its name or
 12 title, in addition to the word "trust", the word "savings".
 13 Savings deposits received by such a trust company shall be
 14 invested only in authorized securities, as defined by law, and
 15 the trust company shall keep on hand, at all times, such
 16 securities in an amount at least equal to the amount of the
 17 deposits, and these securities shall be the representative of,
 18 and the fund for, applicable first and exclusively to the
 19 payments of, the savings deposits. Deposits received by the
 20 trust company subject to its right to require notice of
 21 withdrawal evidenced by passbooks or by written receipt or
 22 agreement shall be deemed savings deposits.

23 No change for subd 2 to 3

047*#28S

24 47.28 SAVINGS BANKS MAY CONVERT INTO SAVINGS, BUILDING
 25 AND LOAN ASSOCIATIONS.

26 No change for subd 1

27 Subd. 2. If the certificate of authorization (charter) be
 28 issued, the articles of incorporation may then be amended so as
 29 to convert the savings bank into a savings, building and loan
 30 association by following the procedure prescribed for amending
 31 articles of incorporation of savings banks; provided, that
 32 before any such conversion shall take place the secretary of the
 33 savings bank shall cause 30 days written notice of such intended
 34 conversion (which notice, before mailing, shall be submitted to
 35 and approved by the commissioner of commerce) to be mailed
 36 prepaid to each depositor, at ~~his~~ the depositor's last known *
 37 address according to the records of the bank, and after such
 38 notice each depositor may, prior to the time the conversion
 39 becomes final and complete, on demand and without prior notice,
 40 withdraw the full amount of ~~his~~ deposit or such part thereof *
 41 as ~~he~~ the depositor may request, and upon such withdrawal ~~he~~ the *
 42 depositor shall receive interest to the date of withdrawal at *
 43 the same rate last paid or credited by the bank, notwithstanding
 44 the provisions of any law, bylaw, rule or regulation to the
 45 contrary.

46 No change for subd 3

47 Subd. 4. When the conversion of any savings bank into a
 48 savings, building and loan association becomes final and
 49 complete, the surplus fund of the bank shall become the
 50 contingent or reserve fund of the association and every person
 51 who was a depositor of the savings bank at the time of the
 52 conversion shall cease to be a depositor and shall thereafter be
 53 a shareholder of the savings, building and loan association and
 54 be credited with payments on ~~his~~ that person's share account *
 55 equal to the full amount of ~~his~~ on deposit with the savings bank *
 56 at the time of conversion, plus interest to the date of
 57 conversion at the same rate last paid or credited by the bank,
 58 notwithstanding the provisions of any law, bylaw, rule or
 59 regulation to the contrary.

60 No change for subd 5

047*#29S

61 47.29 SAVINGS BANKS MAY CONVERT INTO FEDERAL
 62 ASSOCIATIONS.

63 Subdivision 1. Any savings bank organized and existing
 64 under and by virtue of the laws of this state, is hereby
 65 authorized and empowered, by a two-thirds vote of the entire
 66 board of trustees, at any regular or special meeting of said
 67 board duly called for that purpose to convert itself into a
 68 federal association whenever said conversion is authorized by
 69 any act of the Congress of the United States: Provided, that
 70 before any such conversion shall become final and complete, (a)
 71 the secretary of the savings bank shall cause 30 days' written
 72 notice of such intended conversion (which notice, before
 73 mailing, shall be submitted to and approved by the commissioner
 74 of commerce) to be mailed prepaid to each depositor, at their

1 last known address, according to the records of the bank, and
 2 after such notice each depositor may, prior to the time the
 3 conversion becomes final and complete, on demand and without
 4 prior notice, withdraw the full amount of his the deposit or
 5 such part thereof as he the depositor may request, and upon such
 6 withdrawal he the depositor shall receive interest to the date
 7 of withdrawal at the same rate last paid or credited by the
 8 bank, notwithstanding the provisions of any law, bylaws, rule or
 9 regulation to the contrary, and (b) that such conversion be
 10 approved in writing by the commissioner of commerce.

11 No change for subd 2

047*#30S

12 47.30 SAVINGS, BUILDING AND LOAN ASSOCIATION MAY CONVERT
 13 INTO SAVINGS BANK.

14 Subdivision 1. Any savings, building and loan association
 15 organized and existing under and by virtue of the laws of this
 16 state may amend its articles of incorporation so as to convert
 17 itself into a savings bank, by complying with the following
 18 requirements and procedure:

19 A meeting of the shareholders shall be held upon not less
 20 than 15 days written notice to each shareholder, served either
 21 personally or by mail prepaid, directed to ~~him-at-his~~ the
 22 shareholder's last known post office address according to the
 23 records of the association, stating the time, place and purpose
 24 of such meeting.

25 At such meeting, the shareholders may by two-thirds vote
 26 (according to the book value of said shares) of those present in
 27 person or by proxy pass a resolution declaring their intention
 28 to convert such association into a savings bank and setting
 29 forth the names of the proposed first board of trustees. A copy
 30 of the minutes of such meeting verified by the affidavit of the
 31 chairman chair and the secretary of the meeting, shall be filed
 32 in the office of the department of commerce and with the
 33 secretary of state within ten days after the meeting. Such
 34 copy, when so filed, shall be evidence of the holding of such
 35 meeting and of the action taken.

36 No change for subd 2 to 3

37 Subd. 4. Before any such conversion shall take place, a
 38 period of 30 days shall elapse from the date of the adoption by
 39 the shareholders of the resolution amending the articles of
 40 incorporation during which period of time each shareholder of
 41 the association may, on demand and without prior notice, tender
 42 his unpledged shares for repurchase by the association and
 43 thereupon be entitled to receive the full withdrawal value of
 44 his the shareholder's share account, or such part thereof as he
 45 the shareholder may request, plus dividends to date of payment
 46 at the same rate last paid or credited by the association,
 47 notwithstanding the provisions of any law, bylaw, rule or
 48 regulation to the contrary.

49 No change for subd 5

50 Subd. 6. When the conversion of any savings, building and
 51 loan association becomes final and complete the contingent or
 52 reserve fund of the association shall become the surplus fund of
 53 the bank and every person who was a shareholder of the
 54 association at the time of the conversion shall cease to be a
 55 shareholder and shall thereafter be a depositor of the bank and
 56 be credited with deposits in his that person's account equal to
 57 the full withdrawal value of his that person's share account
 58 plus dividends to the date of conversion at the same rate last
 59 paid or credited by the association, notwithstanding the
 60 provisions of any law, bylaw, rule or regulation to the contrary.

61 No change for subd 7

047*#41S

62 47.41 NEGOTIABLE INSTRUMENTS, FACSIMILE SIGNATURES,
 63 DISBURSEMENT OF PUBLIC FUNDS.

64 Any public officer or other person who is authorized singly
 65 or in conjunction with another or others, to sign checks,
 66 drafts, warrants, warrant-checks, vouchers or other orders on
 67 public funds on deposit in a depository bank may authorize the
 68 bank to honor any such instrument bearing a facsimile of his
 69 that person's signature and to charge the same to the account
 70 upon which drawn, as fully as though it bore his a manually
 71 written signature. Instruments so honored shall be wholly
 72 operative and binding in favor of the bank although such
 73 facsimile signature shall have been affixed without authority of
 74 such officer or other person. Any one or more or all of the

1 signatures upon any such instrument may be facsimile as herein
2 provided. As here used "public funds" means funds of the state
3 or of any county, city, town, school district, any political
4 subdivision of the state, or of any commission, board,
5 department or agency of any thereof.

047*#42S

6 47.42 FACSIMILE SIGNATURES, OFFICER NOT LIABLE.
7 If the governing body of the depositor political
8 subdivision, or of any commission, board, department or agency
9 thereof, by resolution approves the action of the public officer
10 or other person in the use of such facsimile, and shall have
11 insured the depositor with an insurance company authorized to do
12 business in this state, in such amount and form as the governing
13 body approves, against loss of any public funds withdrawn upon
14 unauthorized use of such facsimile signature, such public
15 officer or other person shall not be personally liable for loss,
16 if any, resulting from the use of any such facsimile signature
17 unless the loss occurs by reason of ~~his~~ that person's own *
18 wrongful act.

047*#51S

19 47.51 DETACHED BANKING FACILITIES; DEFINITIONS.
20 As used in sections 47.51 to 47.57:
21 "Extension of the main banking house" means any structure
22 or stationary mechanical device serving as a drive-in or walk-up
23 facility, or both, which is located within 150 feet of the main
24 banking house, the distance to be measured in a straight line
25 from the closest points of the closest structures involved and
26 which performs one or more of the functions described in section
27 47.53.

28 "Detached facility" means any permanent structure, office
29 accommodation located within the premises of any existing
30 commercial or business establishment, stationary automated
31 remote controlled teller facility, stationary unmanned unstaffed *
32 cash dispensing or receiving device, located separate and apart
33 from the main banking house which is not an "extension of the
34 main banking house" as above defined, that serves as a drive-in
35 or walk-up facility, or both, with one or more tellers windows,
36 or as a remote controlled teller facility or a cash dispensing
37 or receiving device, and which performs one or more of those
38 functions described in section 47.53.

39 "Bank" means a bank as defined in section 46.046 and any
40 banking office established prior to the effective date of Laws
41 1923, chapter 170, section 1.

42 "Commissioner" means the commissioner of commerce.

43 "Municipality" means the geographical area encompassing the
44 boundaries of any home rule charter or statutory city located in
45 this state, and any detached area, pursuant to section 473.625,
46 operated as a major airport by the metropolitan airports
47 commission pursuant to sections 473.601 to 473.679. When a bank
48 is located in a township, the term municipality is expanded to
49 mean the geographical area encompassing the boundaries of the
50 township.

047*#54S

51 47.54 NOTICES AND APPROVAL PROCEDURES.

52 No change for subd 1 to 3

53 Subd. 4. DECISION AFTER HEARING. If upon the
54 hearing, it appears to the commissioner that the requirements
55 for approval contained in subdivision 2 have been met, the
56 commissioner shall, not later than 90 days after the hearing,
57 issue an order approving the application. If the commissioner
58 shall decide that the application should not be granted, ~~he~~ the *
59 commissioner shall issue an order to that effect and forthwith *
60 give notice by certified mail to the applicant.

61 No change for subd 5

047*#58S

62 47.58 REVERSE MORTGAGE LOANS.

63 Subdivision 1. DEFINITIONS. For the purposes of this
64 section, the terms defined in this subdivision have the meanings
65 given them.

66 (a) "Reverse mortgage loan" means a loan:

67 (1) Made to a borrower wherein the committed principal
68 amount is paid to the borrower in equal or unequal installments
69 over a period of months or years, interest is assessed, and
70 authorized closing costs are incurred as specified in the loan
71 agreement;

72 (2) Which is secured by a mortgage on residential property

1 owned solely by the borrower; and

2 (3) Which is due when the committed principal amount has
3 been fully paid to the borrower, or upon sale of the property
4 securing the loan, or upon the death of the last surviving
5 borrower, or upon the borrower terminating use of the property
6 as principal residence so as to disqualify the property from the
7 homestead credit given in chapter 290A.

8 (b) "Lender" means any bank subject to chapter 48, savings
9 bank organized and operated pursuant to chapter 50, savings and
10 loan association subject to chapter 51A, or any insurance
11 company as defined in section 60A.02, subdivision 4. "Lender"
12 also includes any federally chartered bank supervised by the
13 comptroller of the currency or federally chartered savings and
14 loan association supervised by the federal home loan bank board,
15 to the extent permitted by federal law.

16 (c) "Borrower" includes any natural person holding an
17 interest in severalty or as joint tenant or tenant-in-common in
18 the property securing a reverse mortgage loan.

19 (d) "Outstanding loan balance" means the current net
20 amount of money owed by the borrower to the lender whether or
21 not that sum is suspended pursuant to the terms of the reverse
22 mortgage loan agreement or is immediately due and payable. The
23 outstanding loan balance is calculated by adding the current
24 totals of the items described in clauses (1) to (5) and
25 subtracting the current totals of the item described in clause
26 (6):

27 (1) The sum of all payments made by the lender which are
28 necessary to clear the property securing the loan of any
29 outstanding mortgage encumbrance or mechanics or ~~materialmen's~~
30 material supplier's lien. *
*

31 (2) The total disbursements made by the lender to date
32 pursuant to the loan agreement as formulated in accordance with
33 subdivision 3.

34 (3) All taxes, assessments, insurance premiums and other
35 similar charges paid to date by the lender pursuant to
36 subdivision 6, which charges were not reimbursed by the borrower
37 within 60 days.

38 (4) All actual closing costs which the borrower has
39 deferred, if a deferral provision is contained in the loan
40 agreement as authorized by subdivision 7.

41 (5) The total accrued interest to date, as authorized by
42 subdivision 5.

43 (6) All payments made by the borrower pursuant to
44 subdivision 4.

45 (e) "Actual closing costs" mean reasonable charges or sums
46 ordinarily paid at the time of closing for the following,
47 whether or not retained by the lender:

48 (1) Any insurance premiums on policies covering the
49 mortgaged property including but not limited to premiums for
50 title insurance, fire and extended coverage insurance, flood
51 insurance, and private mortgage insurance.

52 (2) Abstracting, title examination and search, and
53 examination of public records related to the mortgaged property.

54 (3) The preparation and recording of any or all documents
55 required by law or custom for closing a reverse mortgage loan
56 agreement.

57 (4) Appraisal and survey of real property securing a
58 reverse mortgage loan.

59 (5) A single service charge, which service charge shall
60 include any consideration, not otherwise specified in this
61 section as an "actual closing cost", paid by the borrower to the
62 lender for or in relation to the acquisition, making,
63 refinancing or modification of a reverse mortgage loan, and
64 shall also include any consideration received by the lender for
65 making a commitment for a reverse mortgage loan, whether or not
66 an actual loan follows the commitment. The service charge shall
67 not exceed one percent of the bona fide committed principal
68 amount of the reverse mortgage loan.

69 (6) Charges and fees necessary for or related to the
70 transfer of real property securing a reverse mortgage loan or
71 the closing of a reverse mortgage loan agreement paid by the
72 borrower and received by any party other than the lender.

73 No change for subd 2 to 6

74 Subd. 7. LOAN CLOSING. The lender may require the
75 borrower to pay no more than actual closing costs incurred in
76 connection with the making, closing, disbursing or extending of

1 a reverse mortgage loan. A reverse mortgage loan agreement or
 2 extension agreement may provide for deferral of payment of any
 3 portion of actual closing costs. Deferred closing costs shall be
 4 added to the outstanding loan balance as provided in subdivision
 5 1, clause (e). Unless the agreement provides for deferral,
 6 actual closing costs shall be paid by the borrower at the time
 7 of signing the agreement.

8 Upon signing a reverse mortgage loan agreement or
 9 extension agreement the lender shall furnish to the borrower:

- 10 (a) A schedule showing the projected pattern of the
 11 outstanding loan balance over the period of the agreement;
 12 (b) A statement indicating in detail the charges and fees
 13 the borrower has paid or is obligated ~~himself~~ to pay to the *
 14 lender or to any other person in connection with the loan; and
 15 (c) Any other information required by state or federal
 16 law.

047*#62S

17 47.62 AUTHORIZATION.

18 No change for subd 1 to 2

19 Subd. 3. Application for authorization shall be made in
 20 the manner prescribed by rule. The commissioner shall grant
 21 authorization for the establishment of an electronic financial
 22 terminal if he the commissioner finds that: *

23 (a) There is reason to believe that the terminal will be
 24 properly and safely managed;

25 (b) The applicant is financially sound;

26 (c) The proposed charges for making the services of the
 27 terminal available to financial institutions are fair,
 28 equitable, and nondiscriminatory;

29 (d) The applicant has furnished all of the information
 30 required by rule;

31 (e) The terminal applicant will not gain an unfair
 32 competitive advantage because the terminal is not operationally
 33 available to other financial institutions or their data
 34 processors within a reasonable period of time; and

35 (f) The location and placement of the electronic financial
 36 terminal is not designed to give or promote an unfair
 37 competitive advantage to any financial institution.

38 If the commissioner has not denied the application within
 39 45 days of its submission ~~to him~~, the authorization shall be *
 40 deemed to be granted.

41 No change for subd 4

047*#64S

42 47.64 OPERATION OF AN ELECTRONIC FINANCIAL TERMINAL.

43 No change for subd 1 to 3

44 Subd. 4. An electronic financial terminal, if manned *
 45 staffed, shall be operated exclusively by a person who is not *
 46 employed by any financial institution, any financial institution
 47 holding company, or subsidiary thereof. However, persons
 48 assisting customers of financial institutions at the site of the
 49 terminal may be trained by employees of a financial institution,
 50 financial institution holding company, or subsidiary thereof,
 51 and nothing in this section shall be construed to prohibit
 52 periodic servicing of an electronic financial terminal by an
 53 employee of a financial institution, financial institution
 54 holding company, or subsidiary thereof.

55 No change for subd 5 to 6

047*#65S

56 47.65 TRANSMISSION FACILITY.

57 No change for subd 1

58 Subd. 2. Before installation and operation, a transmission
 59 facility application shall be submitted to the commissioner on a
 60 form provided by the commissioner which states:

61 (a) The location where the transmission facility will be
 62 operated;

63 (b) The ownership of the transmission facility;

64 (c) If applicable, the bonding or insurance company which
 65 has provided the bond for the transmission facility;

66 (d) Such other information as the commissioner requires.

67 If the commissioner finds that (a) the facility will be
 68 properly and safely managed, (b) the applicant is financially
 69 sound, (c) there is a reasonable probability of success for the
 70 facility, (d) the proposed charges for making the services of
 71 the facility available to financial institutions are fair,
 72 equitable and nondiscriminatory, and (e) all information has
 73 been furnished by the applicant, he the commissioner shall *

1 approve the application within 90 days. If the commissioner has
 2 not denied the application within 90 days of the submission of
 3 the application, the authorization shall be deemed granted. For
 4 each application, a \$500 fee shall be paid to the commissioner.
 5 For each application for change in pricing structure, a \$50 fee
 6 shall be paid to the commissioner. If the \$500 fee or the \$50
 7 fee is less than the costs incurred by the commissioner in
 8 approving or disapproving the application, the application fee
 9 shall be equal to those costs.

10 Subd. 3. To insure payment to any person who suffers loss
 11 due to negligence or intentional misconduct in the operation of
 12 a transmission facility any person seeking to establish a
 13 transmission facility shall, at the option of the commissioner,
 14 file in ~~his~~ the commissioner's office either a financial
 15 statement in an acceptable form, or a bond, rider to an existing
 16 bond, or other collateral security acceptable to and in an
 17 amount set by the commissioner. The commissioner shall permit
 18 the filing of a financial statement in lieu of a bond or other
 19 security only if the financial statement demonstrates that the
 20 person seeking to establish the transmission facility has the
 21 financial ability to insure payment to any person who suffers
 22 loss due to negligence or intentional misconduct in the
 23 operation of the transmission facility. If the filing of a
 24 financial statement is permitted, additional periodic financial
 25 information shall be filed as required by the commissioner.

047*#69S

26 47.69 CONSUMER PRIVACY.

27 Subdivision 1. To protect the privacy of customers using
 28 electronic financial terminals, including any supporting
 29 equipment, structures or systems, information received by or
 30 processed through such terminals, supporting equipment,
 31 structures or systems shall be treated and used only in
 32 accordance with applicable law relating to the dissemination and
 33 disclosure of such information. The person establishing and
 34 maintaining an electronic financial terminal, including any
 35 supporting equipment, structures or systems, shall take such
 36 steps as are reasonably necessary to restrict disclosure of
 37 information to that necessary to complete the transaction and to
 38 safeguard any information received or obtained about a customer
 39 or ~~his~~ that customer's account from misuse by any person ~~managing~~
 40 staffing an electronic financial terminal, including any
 41 supporting equipment, structures or systems.

42 No change for subd 2

43 Subd. 3. Every financial institution using an electronic
 44 financial terminal shall maintain reasonable procedures to
 45 minimize losses from unauthorized withdrawals from its
 46 customers' accounts by use of an electronic financial terminal.
 47 After a customer makes a bona fide deposit or payment at an
 48 electronic financial terminal and has received ~~his~~ a receipt,
 49 any loss due to theft or other reason shall not be borne by the
 50 customer; provided, loss due to the nonpayment or dishonor of a
 51 check, or other order for payment, deposited at an electronic
 52 financial terminal shall be governed by the applicable
 53 provisions of chapter 336. A financial institution shall be
 54 liable for all unauthorized withdrawals unless the unauthorized
 55 withdrawal was (a) due to the negligent conduct or the
 56 intentional misconduct of the operator of an electronic
 57 financial terminal or ~~his~~ that operator's agent in which case
 58 the operator of an electronic financial terminal or ~~his~~ the
 59 agent shall be liable, or (b) due to the loss or theft of the
 60 customer machine readable card in which case the customer shall
 61 be liable, subject to a maximum liability of \$50, for those
 62 unauthorized withdrawals made prior to the time the financial
 63 institution is notified of the loss or theft. For purposes of
 64 this subdivision, "unauthorized withdrawal" means a withdrawal
 65 by a person other than the customer who does not have actual,
 66 implied, or apparent authority for such withdrawal, and from
 67 which withdrawal the customer receives no benefit.

68 No change for subd 4

69 Subd. 5. Any customer of a financial institution may bring
 70 a civil action against any person violating any subdivision of
 71 this section in the district court in the county ~~in-which~~ of the
 72 ~~alleged violator-resides-or-has-his~~ violator's residence or
 73 principal place of business or in the county wherein the alleged
 74 violation occurred. Upon adverse adjudication, the defendant
 75 shall be liable for actual damages, or \$500, whichever is

1 greater, punitive damages when applicable, together with the
 2 court costs and reasonable attorneys' fees incurred by the
 3 plaintiff. The court may provide such equitable relief as it
 4 deems necessary or proper, including enjoining the defendant
 5 from further violations.

6 No change for subd 6

047*#72S

7 47.72 CEASE AND DESIST ORDER; INJUNCTION; PENALTIES.

8 Subdivision 1. If the commissioner determines that a
 9 person, other than a national bank, federal savings and loan
 10 association, or federal credit union, is violating or about to
 11 violate sections 47.61 to 47.74 or any rule promulgated
 12 thereunder or is engaged or about to engage in an unsafe,
 13 unsound, unfair, or discriminatory practice, ~~he~~ the commissioner
 14 may: *

15 (a) issue and serve on such person a cease and desist order
 16 which shall become effective at the time specified therein, and
 17 remain effective and enforceable as provided therein, except to
 18 the extent that it is stayed, modified, terminated, or set aside
 19 by action of the commissioner or review in court;

20 (b) serve notice on such person who has established and
 21 maintains a transmission facility or an electronic financial
 22 terminal of ~~his~~ intent to revoke or suspend its approval to
 23 establish and maintain the transmission facility or electronic
 24 financial terminal. *

25 When acting pursuant to this subdivision, the commissioner
 26 shall furnish the person ~~against-whom-he-is-acting~~ against whom
 27 the action is being taken with a statement of alleged violations
 28 or practices. *

29 No change for subd 2

30 Subd. 3. The commissioner may bring an action in district
 31 court to enjoin violations of sections 47.61 to 47.74 or any
 32 regulation promulgated thereunder, or to enforce compliance with
 33 the provisions of sections 47.61 to 47.74 or any rule
 34 promulgated thereunder, and ~~he~~ may refer the matter to the
 35 attorney general. The court may also impose a penalty not
 36 exceeding \$5,000 per violation. *

048*#04S

37 48.04 INCREASE AND REDUCTION OF CAPITAL.

38 No increase or reduction of the capital of any such bank
 39 shall be valid until the entire new capital has been paid in
 40 cash, and certified to the commissioner under oath of the
 41 president, vice-president, or cashier. The commissioner shall
 42 thereupon issue ~~his~~ a certificate of that fact and of ~~his~~
 43 approval thereof. No reduction of the surplus of any such bank
 44 shall be valid until such reduction has been approved by the
 45 commissioner of commerce. No reduction shall affect the
 46 liability of any stockholder for any indebtedness incurred prior
 47 thereto. *

048*#06S

48 48.06 DIRECTORS; QUALIFICATIONS.

49 If the number of directors exceeds nine, they may
 50 designate, semi-annually, by resolution, nine of their number, a
 51 majority of whom constitutes a quorum for the transaction of
 52 business. Every director of a bank shall take and subscribe an
 53 oath ~~that-he-will~~ to faithfully perform ~~his~~ the official duties
 54 of a director, and not knowingly violate, or permit to be
 55 violated, any provision of law. The taking of this oath must be
 56 duly certified in the minutes of the records of the bank. *

048*#13S

57 48.13 CONDITIONS OF BONDS.

58 Subdivision 1. SECURITIES. If a bond is given, it
 59 shall be in favor of the bank and shall have one corporate
 60 surety, which shall be a solvent insurance corporation in good
 61 standing authorized to do business in Minnesota, or at least
 62 five individual sureties, not one of whom shall be an officer,
 63 director, or stockholder of the bank, and each of whom shall
 64 justify in a sum equal to the penalty of the bond and, in
 65 addition thereto, each individual surety shall furnish to the
 66 bank, in connection with the bond, a verified financial
 67 statement showing ~~his~~ solvency and responsibility, which
 68 statement shall be renewed and revised annually by each surety. *

69 If a contract of insurance is secured, it shall be in favor of
 70 the bank and shall be executed by some insurance company
 71 possessing the qualifications heretofore specified. No
 72 cancellation or termination at the request of the underwriter of

1 a bond or contract of insurance required by section 48.12 shall
2 be effective unless the underwriter gives in advance at least 60
3 days written notice by registered mail to the commissioner of
4 commerce.

5 No change for subd 2

048*#14S

6 48.14 EXAMINATIONS, REPORTS TO SHOW NAMES OF BONDED
7 OFFICERS AND EMPLOYEES.

8 When an examination is made of a bank by the commissioner,
9 or ~~his~~ an examiner, the report of the examination made to the *
10 commissioner shall state the names of all the officers and
11 employees of the bank so bonded or insured, and the penalty of *
12 the bonds or the amount of the insurance covering them. When
13 blanket coverage is provided, the names of all the officers and
14 employees need not be stated. When the commissioner, after an
15 investigation, or upon receipt of a notice of cancellation or
16 other termination required by section 48.13, finds as a fact
17 that any bank is not adequately protected against loss by reason
18 of the unlawful act of any officer or employee thereof, whether
19 through the omission to secure any bond or contract of
20 insurance, or through the insufficiency of the sureties or the *
21 insurer on the bond or policy given, or otherwise, ~~he~~ the *
22 commissioner may require, by written order, that such bonds or *
23 contracts of insurance in favor of the bank be obtained as
24 in ~~his~~ the commissioner's opinion would adequately protect the *
25 bank against loss by reason of the unlawful act of any of its
26 officers or employees, and shall thereupon notify the bank, by
27 certified mail, of ~~his~~ the order; and, if the same is not *
28 complied with within 30 days after the date of the mailing of
29 the order, the bank may be closed ~~by him~~ and, if closed, shall *
30 not be permitted to resume business until the order has been
31 fully complied with. All such bonds or contracts of insurance
32 shall remain in the custody of the bank protected thereby and
33 shall be available for examination and inspection by the
34 commissioner.

048*#155S

35 48.155 ALLOWABLE ADDITIONAL CHARGES.

36 No charge other than those provided for in sections 48.153
37 and 48.154 shall be made directly or indirectly for any such
38 installment loan except that there may be charged to the
39 borrower or included in the amount financed:

40 (a) Any lawful fees paid or to be paid by the lender to any
41 public officer for filing, recording, or releasing in any public
42 office any instrument securing the loan;

43 (b) Any lawful premium or charge for insurance protecting
44 the lender against the risk of loss from not filing or recording
45 a security agreement or financing statement and in lieu of
46 filing thereof. Such premium or charge shall not exceed the
47 actual premium or charge made by the insurance company to the
48 lender and in no event in excess of the costs if the document
49 were actually filed, recorded, or released in any public office;

50 (c) The premium on any life, property or other insurance
51 taken as security for the loan; provided, that the borrower has
52 acknowledged by ~~his~~ signature that ~~he~~ the borrower has been *
53 notified in writing that ~~he~~ the borrower may, at ~~his~~ the *
54 borrower's own cost, procure and deposit with the lender such *
55 insurance if written by a responsible company. Such premium may
56 be included as part of the loan.

048*#157S

57 48.157 COPY OF NOTE TO BORROWER.

58 At the time of making an instalment loan under the
59 provisions of sections 48.153 to 48.157, the borrower shall be
60 furnished a signed copy of the note ~~that he signed~~ and also a *
61 copy or statement of all charges made by the bank on such loan.

048*#196S

62 48.196 PENALTY FOR USURIOUS INTEREST.

63 The taking, receiving, reserving or charging by a lender of
64 a rate of interest greater than is allowed by state law shall be
65 deemed a forfeiture of the entire interest which the note, bill,
66 or other evidence of debt carries with it, or which has been
67 agreed to be paid thereon. In case the greater rate of interest
68 has been paid, the person paying it, or ~~his~~ the person's legal *
69 representatives, may recover, in an action in the nature of an
70 action of debt, twice the amount of the interest thus paid from
71 the lender taking or receiving the interest, if the action is
72 commenced within two years from the time the usurious

1 transaction occurred. For purposes of this section, the term
 2 "lender" means a bank or savings bank organized under the laws
 3 of this state, a federally chartered savings and loan
 4 association, a savings association organized under chapter 51A,
 5 a federally chartered credit union, a credit union organized
 6 under chapter 52, an industrial loan and thrift company
 7 organized under chapter 53, a regulated lender licensed under
 8 chapter 56, or a mortgagee or lender approved or certified by
 9 the secretary of housing and urban development or approved or
 10 certified by the administrator of veterans affairs.

048*#24S

11 48.24 RESTRICTIONS UPON TOTAL LIABILITIES TO A BANK.

12 Subdivision 1. The total liabilities to any such bank, as
 13 principal, guarantor or endorser of any individual, including
 14 the liabilities of any corporation which ~~he~~ the individual owns *
 15 or controls a majority interest, any partnership, unincorporated
 16 association, or corporation, including the liabilities of the
 17 several members of a partnership or unincorporated association,
 18 and in case of a corporation of all subsidiaries thereof in
 19 which such corporation owns or controls a majority interest,
 20 shall never exceed 20 percent of its capital actually paid in
 21 cash and of its actual surplus fund, except that obligations not
 22 to exceed 25 percent of said capital and surplus to any one
 23 borrower shall not be included as liabilities for the purposes
 24 of this section, but shall be liabilities of the borrowers,
 25 provided they are secured by not less than a like amount of any
 26 one of the various types of obligations of the United States or
 27 which are fully guaranteed as to principal and interest by the
 28 United States, and providing that such bonds or obligations have
 29 a market value of at least ten percent in excess of the amount
 30 loaned thereon at the time each loan is made.

31 For the purpose of this section the members of a family
 32 living together in one household, if borrowed funds are to be
 33 used in the conduct of a common enterprise, shall be regarded as
 34 one person and the total liabilities of the members of the
 35 family shall be limited as herein provided. The endorser or
 36 guarantor of any obligation which is exempt from loaning limits
 37 according to the provisions of this section shall also be exempt
 38 from such loaning limits to the extent of the amount of ~~his~~ *
 39 liability on such obligations for the purposes of this section
 40 but shall be liable thereon. Individual extensions of credit
 41 which result in liabilities of individuals or corporations
 42 exceeding the limitations set forth in this section shall be
 43 construed to conform to the provisions of this subdivision upon
 44 reduction in an amount sufficient to reduce the total liability
 45 to not more than the legal amount, but until paid in full shall
 46 not exempt the officer or employee of the bank from being
 47 personally liable to the bank for the amount of the original
 48 excess portion of the loan as set forth in subdivision 8.

49 No change for subd 2 to 8

048*#33S

50 48.33 EXECUTION OF TRUST.

51 When any state bank shall reorganize as a national bank,
 52 this national bank shall be regarded as continuing the existence
 53 of the state bank, and any officer of the bank elected to a
 54 corresponding office in this national bank shall be regarded as
 55 holding over as such state bank officer, for the purpose of
 56 carrying out any duty or trust reposed in the person holding
 57 such office or ~~his~~ a successor in the state bank as executor of *
 58 a will or trustee of any trust; and ~~his~~ successors in office in *
 59 the national bank shall be regarded as ~~his~~ that person's *
 60 successors in office in such state bank for the purpose of
 61 executing such will or performing such trust; and the executor
 62 of any will, or any trustee thereunder, who by such will has
 63 been directed or recommended to deposit the money of such estate
 64 or trust in this state bank, may deposit the same in the
 65 national bank under the same conditions as ~~he~~ that person might *
 66 have deposited them in the state bank, and with the same
 67 immunity from responsibility for its safety.

048*#36S

68 48.36 APPLICATION.

69 Subdivision 1. Any state bank having a capital and surplus
 70 of not less than \$500,000 may exercise the powers and privileges
 71 conferred by sections 48.36 to 48.43, in addition to all other
 72 powers granted by law, upon complying with the conditions and
 73 requirements of those sections, and receiving the approval of

1 the commissioner of commerce, who may grant or reject, in his *
 2 the commissioner's judgment, the application of any bank to *
 3 acquire trust authority, and in doing so he shall take into *
 4 consideration the following factors:

5 (1) The needs of the community for trust service of the
 6 kind applied for and the probable volume of such trust business
 7 available to the bank;

8 (2) The general condition of the bank, particularly the
 9 adequacy of its net capital and surplus funds in relation to the
 10 character and condition of its assets and to its deposit
 11 liabilities and other corporate responsibilities, including the
 12 proposed exercise of trust powers;

13 (3) The general character and ability of the management of
 14 the bank;

15 (4) The nature of the supervision to be given to the
 16 proposed trust activities, including the qualifications and
 17 experience of the members of the proposed trust investment
 18 committee;

19 (5) The qualifications, experience, and character of the
 20 proposed executive officer or officers of the trust department;

21 (6) Whether the bank has available competent legal counsel
 22 to advise and pass upon trust matters whenever necessary; and

23 (7) Any other facts and circumstances that seem proper.

24 No change for subd 2

048*#37S

25 48.37 CERTIFICATES FROM COMMISSIONER.

26 In order to exercise the powers herein conferred, any such
 27 bank shall invest and keep invested in one or more of the first,
 28 second, third, fourth, seventh, and eighth classes of authorized
 29 securities, at least 25 percent of its capital, which securities
 30 in the amounts above provided shall be duly assigned,
 31 transferred to, and deposited with the commissioner, and shall
 32 be maintained unimpaired as a guaranty fund for the integrity of
 33 its trusts and for the faithful discharge of its duties, in
 34 connection therewith, with the right to the bank to collect the
 35 income thereof and to substitute other like authorized
 36 securities of equal amount and value. The commissioner shall
 37 carefully examine the securities offered for deposit and, if
 38 they comply with all the provisions of law applicable thereto,
 39 and, if the bank making such deposit shall possess the
 40 qualifications stated in section 48.36, he shall issue to the *
 41 bank a certificate stating that it is qualified to exercise the
 42 powers herein conferred, and, upon the issuance of this
 43 certificate and while the same remains in force, the bank may
 44 exercise the powers and privileges conferred by sections 48.36
 45 to 48.43.

46 In case of any increase in the capital of any bank which
 47 has qualified hereunder, this certificate shall be and become
 48 revoked and the bank shall not thereafter exercise the powers
 49 herein conferred until it shall have deposited the required
 50 proportion of its capital in authorized securities and received
 51 a new certificate that it is qualified hereunder.

048*#38S

52 48.38 POWERS AND DUTIES.

53 No change for subd 1 to 2

54 Subd. 3. It may take and hold on deposit or for
 55 safe-keeping, money, bonds, stocks, or other securities, or
 56 personal property, which any public officer or any trustee or
 57 other legal representative or any public or private corporation
 58 or any person may desire, or may be authorized, ordered, or
 59 otherwise required by law to deposit in a safe depository or to
 60 pay into any court of record, and the same may, instead thereof,
 61 be deposited with such bank, and where the deposit is made
 62 pursuant to order of court in such bank as the court shall
 63 designate and depositor takes the receipt of such bank therefor,
 64 thereupon the depositor and his the depositor's sureties shall *
 65 be relieved from liability thereafter accruing on account
 66 thereof, so long as the deposits continue.

67 No change for subd 4 to 8

048*#40S

68 48.40 SUBJECT TO ORDERS OF COURT.

69 Every such bank shall be subject at all times to the orders
 70 of any court from which it shall have accepted any trust or
 71 appointment and shall render to the court such itemized and
 72 verified accounts and reports as may be required by law or the
 73 court. In addition to other reports required by law, it shall

1 render to the commissioner, at such times as ~~he~~ the commissioner *
2 may direct, full and itemized reports of investments, trust
3 funds, and other business performed under the provisions hereof,
4 and a condensed statement of the report, either separately
5 stated or consolidated with the other reports required of it by
6 law, shall be published as required by law.

048*#43S

7 48.43 BANKS MAY CEASE OPERATIONS; DUTIES OF COMMISSIONER.
8 Any state bank which has qualified hereunder may at any
9 time notify the commissioner, in writing, that it intends to
10 cease to operate under the provisions of sections 48.36 to
11 48.43, and thereupon the certificate issued to it, as provided
12 in sections 48.36 to 48.43, shall be canceled and revoked, and
13 the bank shall thereafter exercise no power or privilege except
14 those permitted to state banks which have not qualified
15 hereunder, and the securities deposited with the commissioner,
16 as provided in section 48.37, shall forthwith be reassigned and
17 returned to the bank; provided, that no part of the deposited
18 securities shall be so returned until the bank shall have
19 eliminated from its corporate name the words "trust," "trust
20 company," or "savings," nor until it has ceased to hold any
21 trust or trust office authorized by sections 48.36 to 48.43, nor
22 until all its accounts in any such trust shall have been settled
23 and allowed and all property held in trust by it delivered to
24 the persons entitled thereto, nor until all liabilities incurred
25 by it as trustee, agent, or otherwise, under the provisions of
26 sections 48.36 to 48.43, and which it could not have incurred
27 unless qualified thereunder, shall have been discharged;
28 provided, further, that if the amount of all these liabilities,
29 or the maximum limit thereof, has been or can be definitely
30 ascertained, the commissioner may retain only such part of the
31 deposited securities as shall be at least equal to and as shall
32 be in ~~his~~ the commissioner's opinion sufficient to liquidate the *
33 same. If any such bank so surrendering its powers hereunder
34 shall have heretofore used the word "savings" in its corporate
35 name, the provisions of section 48.42, relating to the
36 investment of savings deposits and the rights of such
37 depositors, shall remain operative as to all savings deposits on
38 hand at the date of surrendering such certificate and until the
39 savings deposits shall have been paid to the persons entitled
40 thereto.

048*#48S

41 48.48 REPORTS TO COMMISSIONER.
42 Subdivision 1. SUBMISSION AND PUBLICATION. At least
43 four times in each year, and at any other time when so requested
44 by the commissioner, every bank or trust company shall, within
45 30 days of the date of notice, make and transmit to the
46 commissioner, in a form ~~he~~ the commissioner prescribes, a *
47 report, verified by its president or vice-president and by its
48 cashier or treasurer, and attested by at least two of its
49 directors, stating in detail, under appropriate heads, as
50 required by the commissioner, its assets and liabilities at the
51 close of business on the day specified in the request. The
52 commissioner may accept a report made to a federal authority
53 having supervision of banks or trust companies in fulfilling
54 this requirement. This statement shall be published once at the
55 expense of the bank or trust company in a newspaper serving the
56 municipality or town in which the bank or trust company is
57 located. The newspaper shall be published in the county in
58 which the bank or trust company is located or in an adjoining
59 county. Proof of publication shall be filed with the
60 commissioner immediately after publication of the report, but no
61 later than 60 days following the date of the notice.

62 No change for subd 2

048*#512S

63 48.512 PROCEDURES FOR OPENING CHECKING ACCOUNTS.
64 No change for subd 1
65 Subd. 2. REQUIRED INFORMATION. Before opening or
66 authorizing signatory power over a transaction account, a
67 financial intermediary shall require one applicant to provide
68 the following information on an application document signed by
69 the applicant:
70 (a) full name;
71 (b) birth date;
72 (c) address of residence;
73 (d) address of current employment, if employed;

1 (e) telephone numbers of residence and place of employment,
 2 if any;
 3 (f) social security number;
 4 (g) driver's license or identification card number issued
 5 pursuant to section 171.07. If the applicant does not have a
 6 driver's license or identification card, the applicant may
 7 provide an identification document number issued for
 8 identification purposes by any state, federal, or foreign
 9 government if the document includes the applicant's photograph,
 10 full name, birth date, and signature. A valid Wisconsin
 11 driver's license without a photograph may be accepted in
 12 satisfaction of the requirement of this paragraph until January
 13 1, 1985;

14 (h) whether the applicant has had a transaction account at
 15 the same or another financial intermediary within 12 months
 16 immediately preceding the application, and if so, the name of
 17 the financial intermediary;

18 (i) whether the applicant has had a transaction account
 19 closed by a financial intermediary without the applicant's
 20 consent within 12 months immediately preceding the application,
 21 and if so, the reason the account was closed; and

22 (j) whether the applicant has been convicted of a criminal
 23 offense because of the use of a check or other similar item
 24 within 24 months immediately preceding the application.

25 A financial intermediary may require an applicant to
 26 disclose additional information.

27 An applicant who makes a false material statement that he
 28 the applicant does not believe to be true in an application
 29 document with respect to information required to be provided by
 30 this subdivision is guilty of perjury. The financial
 31 intermediary shall notify the applicant of the provisions of
 32 this paragraph.

33 Subd. 3. CONFIRM NO INVOLUNTARY CLOSING. Before
 34 opening or authorizing signatory power over a transaction
 35 account, the financial intermediary shall attempt to verify the
 36 information disclosed for subdivision 2, clause (i). The
 37 financial intermediary may not open or authorize signatory power
 38 over a transaction account if (i) the applicant had a
 39 transaction account closed by a financial intermediary without
 40 ~~his~~ consent because of ~~his~~ issuance by the applicant of
 41 dishonored checks within 12 months immediately preceding the
 42 application, or (ii) the applicant has been convicted of a
 43 criminal offense because of the use of a check or other similar
 44 item within 24 months immediately preceding the application.

45 If the transaction account is refused pursuant to this
 46 subdivision, the reasons for the refusal shall be given to the
 47 applicant in writing and the applicant shall be allowed to
 48 provide additional information.

49 Subd. 4. IDENTIFICATION IS REQUIRED. A financial
 50 intermediary shall not open or authorize signatory power over a
 51 transaction account if none of the applicants provides a
 52 driver's license, identification card, or identification
 53 document as required by subdivision 2. When a minor is the
 54 applicant and the minor does not have a driver's license or
 55 identification card issued pursuant to section 171.07, the
 56 identification requirements of subdivision 2, clause (g), and
 57 this subdivision are satisfied if the minor's parent or guardian
 58 provides identification of ~~his~~ that person's own that meets the
 59 identification requirement. The financial intermediary may
 60 waive the identification requirement if the applicant has had
 61 another type of account with the financial intermediary for at
 62 least one year immediately preceding the time of application.

63 No change for subd 5

048*#59S

64 48.59 COMMISSIONER MAY ACCEPT EXAMINATIONS AND REPORTS
 65 OF CORPORATION.

66 Subdivision 1. The commissioner ~~is-authorized-to~~ may
 67 accept, ~~in-his-discretion,~~ in lieu of any examination authorized
 68 by the laws of this state to be conducted by ~~his~~ the department
 69 of a banking institution, the examination that may have been
 70 made of same within a reasonable period by the federal deposit
 71 insurance corporation, or the federal reserve bank, provided a
 72 copy of this examination is furnished to the commissioner. The
 73 commissioner ~~may also-in-his-discretion,~~ has the discretionary
 74 authority to accept any report relative to the condition of a
 75 banking institution which may have been obtained by the

1 corporation within a reasonable period, in lieu of a report
2 authorized by the laws of this state to be required of the
3 institution by ~~his~~ the department, provided a copy of this *
4 report is furnished to the commissioner.

5 No change for subd 2 to 3

048*#64S

6 48.64 DEPOSITS OF TRUST FUNDS.

7 Any person, firm, or corporation appointed by a court of
8 competent jurisdiction as representative of the estate of a
9 deceased person, or as guardian, or any trustee of a
10 firefighter's relief association, or any referee, receiver, or
11 trustee appointed by a court of record in this state, may
12 deposit ~~the funds coming-into-his-or-its-possession~~ for *
13 safe-keeping and disbursing, unless otherwise directed by the
14 court, in any bank or trust company, however organized, the
15 deposits of which are insured, in whole or in part, by the
16 federal deposit insurance corporation, to the extent that the
17 funds so deposited are fully insured.

048*#66S

18 48.66 NATIONAL BANKS MAY ACT AS FIDUCIARIES.

19 Any national bank in this state granted a special permit by
20 the federal reserve board to act in a fiduciary capacity under
21 the provisions of sub-section K of section 11 of the federal
22 reserve act, as amended by the act of September 26, 1918, may
23 assign, transfer to, and deposit with the commissioner, and
24 procure ~~his~~ a certificate therefor, the kinds and amounts of *
25 authorized securities required of a trust company in a city
26 wherein the national bank is located, by section 48.67;
27 provided, that such national bank which has a capital of
28 \$500,000 or over shall not be required to deposit these
29 securities for more than ten percent of this capital. The
30 securities so deposited shall be held and maintained as a
31 guaranty fund for the national bank for the performance of its
32 duties in such fiduciary capacity.

33 When such national bank has complied with section 48.67, no
34 oath or security shall be required of it in the acceptance and
35 performance of any such trust, as provided in section 48.79.

048*#67S

36 48.67 CAPITAL OF TRUST COMPANIES.

37 The capital of every trust company hereafter organized
38 shall be not less than \$500,000. There shall also be provided a
39 surplus of at least 20 percent of capital in addition to such
40 capital amounts in each case and neither the capital nor the
41 surplus so provided shall be reduced without the approval of the
42 commissioner of commerce. No trust company hereafter organized
43 shall transact any business until all of its authorized capital
44 stock and required surplus have been paid in, in cash, and at
45 least 25 percent of the capital has been invested in one or more
46 of the first, second, third, and fourth classes of authorized
47 securities and railroad bonds, as described by that statute, and
48 also in the farm loan bonds issued by the federal land banks,
49 federal intermediate credit banks, and the banks for
50 cooperatives duly assigned and transferred to and deposited with
51 the state treasurer. The state treasurer shall submit the
52 securities deposited to the commissioner, who shall carefully
53 examine the securities offered for deposit and ascertain that
54 they comply with all the provisions of law applicable thereto.
55 Upon receipt of an order of the commissioner, the state
56 treasurer shall issue ~~his~~ a receipt therefor. This deposit *
57 shall be maintained unimpaired as a guaranty fund for depositors
58 and creditors and for the faithful discharge of its duties, with
59 the right to collect the income thereof and to substitute other
60 like authorized securities, of equal amount and value, upon
61 approval and order of the commissioner.

62 If the securities comply with the law, the commissioner
63 shall issue ~~his~~ a certificate of authorization for the trust *
64 company to commence business.

65 The capital stock of any trust company may be reduced with
66 the approval of the commissioner, but not below the minimum
67 amounts aforesaid, and no assets shall be returned to the
68 stockholders unless its deposits of authorized securities after
69 such return equal one-fourth of the reduced capital, in no event
70 less than \$125,000; nor shall the liability of any stockholder
71 upon any existing contract be affected thereby.

72 When two or more trust companies have been or shall
73 hereafter be consolidated under and pursuant to the provisions

1 of sections 49.34 to 49.41, the capital of the consolidated
 2 trust company shall be considered as substituted for the capital
 3 of the several trust companies entering into the consolidation,
 4 and the aggregate of the securities of these trust companies on
 5 deposit with the state treasurer, pursuant to the provisions of
 6 this section, shall be increased or diminished accordingly;
 7 provided, that any company may hereafter be organized, with its
 8 principal place of business at any place within the state, with
 9 a capital of not less than \$10,000, to be paid in cash, of which
 10 50 percent shall be invested in authorized securities and
 11 deposited with the state treasurer, as provided in this
 12 section. The powers and business of the company so organized
 13 shall be to act as assignee under any assignment for the benefit
 14 of creditors, or be appointed and act as a trustee or receiver,
 15 as a guardian, as executor of any will, or administrator of any
 16 estate, and the company so organized may accept and perform any
 17 other lawful trust over which any court, either state or
 18 federal, has jurisdiction. This company, before entering upon
 19 the duties of its trust, shall give a corporate surety bond in
 20 such sum as the court directs, with sufficient surety,
 21 conditioned for the faithful performance of its duties. The
 22 business of any company so organized shall be limited to the
 23 above matters; provided, that the company so organized with a
 24 capital stock of \$10,000 shall not use the word "trust" in the
 25 title or name of the company.

048*#68S

26 48.68 DIRECTORS; QUALIFICATIONS; VACANCIES, HOW FILLED.
 27 A majority of the directors of a trust company must be
 28 residents of this state. Each shall take and subscribe an oath
 29 ~~that he will~~ to diligently and honestly perform his the official
 30 duties of a director and ~~will~~ not knowingly violate, or permit
 31 to be violated, any provision of law relating to trust
 32 companies. The taking of this oath must be noted on the minutes
 33 of the records of the corporation and filed with the
 34 commissioner. Failure of any person selected as director to
 35 qualify creates a vacancy in the board, and all vacancies in the
 36 board must be filled by the qualified members. However, not
 37 more than one-third of the membership of the board may be so
 38 filled in any one year.

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048*#77S

39 48.77 PROCEDURE UPON VIOLATION OF LAW OR INSOLVENCY.
 40 The directors and managing officers of any such
 41 corporation, when satisfied that it is, or is about to become,
 42 insolvent, shall immediately report that fact to the
 43 commissioner; and when the commissioner shall be satisfied from
 44 that report, or from any examination made ~~by him~~, that it is
 45 conducting its business in an unlawful or unsafe manner, or that
 46 it is insolvent, he the commissioner may at once take possession
 47 of its books, records, and assets, which shall not be subject to
 48 any levy or attachment, nor shall any application for a receiver
 49 be entertained by any court, during such reasonable time as may
 50 be necessary for further examination. If, upon this
 51 examination, it shall appear to the commissioner that its
 52 business is being conducted in a safe and lawful manner and that
 53 all creditors, except those represented by stock, can be paid in
 54 full from the assets, he the commissioner may relinquish
 55 possession of its assets to its directors and officers;
 56 otherwise he the commissioner shall apply to a court for the
 57 appointment of a receiver, who shall take possession of all its
 58 books, records, and assets, and close up its affairs under the
 59 direction of the court; provided, that if at any stage of the
 60 proceedings the directors or stockholders shall satisfy the
 61 court that the corporation is able to pay all creditors, other
 62 than themselves, if the showing is approved, after investigation
 63 by the commissioner, the court may order the return of the
 64 assets to the company for liquidation or such other course as
 65 the stockholders, in compliance with law, may determine; and in
 66 such case the receiver shall be discharged.

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048*#82S

67 48.82 DEPOSITS OF TRUST AND OTHER FUNDS RECEIVED.
 68 Any trust company may act as a depository or accept for
 69 safe-keeping money, bonds, stocks, and other securities or
 70 personal property which any public officer, or any trustee or
 71 other legal representative, or any public or private corporation
 72 or person, shall be authorized, ordered, or otherwise required
 73 by law to deposit in a bank or other safe depository, or to pay

1 into any court of record; and the same may, instead thereof, be
2 paid into or deposited with any such trust company, and, where
3 such deposit is made pursuant to order of court, in such as the
4 court shall designate, and take the receipt of the trust company
5 therefor; and thereupon the depositor and ~~his~~ the depositor's *
6 sureties shall be relieved from liability thereafter accruing so
7 long as these deposits continue. Such deposits shall not
8 include checking or savings accounts, certificates of deposit or
9 other liabilities not relating to its fiduciary activities,
10 except as may be authorized by section 47.23 and sections 48.69
11 to 48.73 inclusive.

048*#85S

12 48.85 TRANSFER OF TRUSTS TO COMPANY; CONDITION.

13 The trustees of any estate or property may surrender and
14 resign such trust in favor of such trust company which will
15 accept the same, and convey and deliver to it all property and
16 assets of such trust, upon condition that the grantor, cestui
17 que trust, and all parties in any manner interested in the
18 execution and performance of such trust shall execute,
19 acknowledge, and deliver an instrument in writing, whereby they
20 shall consent to such transfer and the release and discharge of
21 the original trustee, and the appointment of such trust company
22 as ~~his~~ successor. If either party to the original trust is *
23 dead, or does not join in such written consent, or if such
24 original trust was created under a last will, or an order or
25 decree of a court of record, then such transfer shall not be
26 valid except upon the judgment or decree of such court as would
27 have jurisdiction of an action to remove the acting trustee, and
28 full compliance with the terms and conditions of such judgment
29 or decree.

049*#01S

30 49.01 DEFINITIONS.

31 No change for subd 1 to 5

32 Subd. 6. "Liquidation division" means the liquidation
33 division of the department of commerce, consisting of the
34 commissioner of commerce, ~~his~~ a deputy, any examiner in charge *
35 of liquidation, deputy examiners, attorneys, and other employees
36 engaged in carrying out the provisions of sections 49.01 to
37 49.32, and performing functions incidental thereto.

049*#02S

38 49.02 ASSESSMENTS ON STOCK; STOCK UNPAID OR CAPITAL
39 IMPAIRED.

40 Subdivision 1. GROUNDS FOR ASSESSMENT. Every bank
41 or trust company which shall have failed to pay up its capital
42 stock as required by law, or the capital of which shall have
43 become impaired, within 90 days after receiving notice thereof
44 from the commissioner, shall make up the deficiency by a pro
45 rata assessment on the capital stock, to be made by the
46 stockholders at a meeting called for that purpose, and, in case
47 of its refusal to do so, the commissioner may proceed forthwith
48 to take possession of its property and business and liquidate it
49 as hereinafter provided; but, with ~~his~~ the commissioner's *
50 consent and approval it may reduce its paid-up capital stock, as
51 provided by law, pay in any remaining deficiency, and thereupon
52 continue business upon the reduced capital.

53 Subd. 2. PROCEDURE. The directors of any bank or
54 trust company receiving notice from the commissioner to make
55 good an impairment of capital shall fix the time when the
56 assessment made at the stockholders' meeting shall become due
57 and payable, which time shall be not less than 15, nor more than
58 30, days after the assessment is levied. Notice of this
59 assessment shall be mailed to each stockholder at ~~his~~ the office *
60 address as shown by the stockbooks of the bank or trust company.

61 If any stockholder shall fail to pay in cash the amount of
62 the assessment against ~~his~~ stock for a period of 30 days after *
63 the same shall become due and payable, the directors of the bank
64 or trust company shall sell the same at public sale upon ten
65 days notice, to be given by posting copies of the notice of sale
66 in three public places in the city, town, or community where the
67 bank or trust company is located, or at a private sale, after
68 giving the stockholder ten days written notice by certified mail
69 addressed to ~~his~~ the post office address as shown by the stock *
70 books of the bank or trust company.

71 Upon sale of any stock, as herein provided, the purchaser
72 shall forthwith become liable for, and shall pay in cash, the
73 amount of the assessment thereon.

1 business of any financial institution, or any such financial
 2 institution is in the process of liquidation by ~~him~~ the *
 3 commissioner, ~~he~~ the commissioner may, in the name of such the *
 4 financial institution or in-his-own-name of the commissioner *
 5 acting as commissioner such, for its use, bring and carry to an *
 6 end all necessary actions in the proper courts to reduce its
 7 assets to money and to protect its property and rights, and to
 8 that end may, in ~~its~~ the name of the financial institution or in *
 9 his-own-name of the commissioner acting as commissioner such, *
 10 execute all bonds and other papers necessary to carry on any
 11 such actions, and may, in its name, satisfy, discharge, and
 12 assign, by written instrument, any and all real estate and
 13 chattel mortgages and all other liens held by it, and may
 14 foreclose in the manner provided by law any real estate mortgage
 15 held by it, and execute, in its name, to the attorney employed
 16 to foreclose any such mortgage, any power of attorney required
 17 by law.

18 Subd. 2. CERTIFICATES PRIOR TO FORECLOSURE SALES.
 19 Prior to any sale under any foreclosure proceedings, the
 20 commissioner shall file for record in the office of the county
 21 recorder of the county where any land affected by any such
 22 foreclosure sale is situated, a certificate under ~~his~~ the *
 23 commissioner's hand, as such commissioner, stating therein the *
 24 corporate name of the financial institution affected; its
 25 principal place of business; ~~that, as commissioner, he has taken~~ *
 26 possession of its property and business has been taken by the *
 27 commissioner under the laws of the state, and the date of taking *
 28 possession thereof; and that it is in process of liquidation *
 29 by ~~him~~ the commissioner, pursuant to the laws of this state, if *
 30 such be the fact. A like certificate shall be filed for record
 31 by the commissioner in the office where any such mortgage or
 32 lien is recorded. This certificate, or a duly certified copy
 33 thereof, shall be prima facie evidence of the facts therein set
 34 forth. Only one such certificate need be filed as hereinbefore
 35 provided in this section, for each financial institution in
 36 liquidation. All foreclosure proceedings heretofore conducted,
 37 whether the certificate was filed for record as to each such
 38 foreclosure or not, are hereby validated if one such certificate
 39 has been filed as to each financial institution in liquidation,
 40 or if the commissioner shall after any foreclosure sale file a
 41 certificate reciting the facts required to be set out in an
 42 original certificate, as they existed prior to the foreclosure
 43 sale.

44 No change for subd 3

45 Subd. 4. CERTAIN ACTIONS, ORDERS, AND JUDGMENTS
 46 VALIDATED. Where the commissioner has heretofore taken
 47 possession of the property and business of any financial
 48 institution, or any financial institution has been liquidated,
 49 or the same is in process of liquidation by ~~him~~ the *
 50 commissioner, and actions or proceedings have been heretofore *
 51 brought in the name of any such financial institution, or in the
 52 name of the commissioner for its use, in any court of the state,
 53 all such actions, and all orders and judgments that have
 54 heretofore been, or may hereafter be, made or entered therein,
 55 are hereby in all things validated, on the filing of a
 56 certificate reciting the facts required to be set out as
 57 provided for in subdivision 3, in the court wherein any such
 58 action or proceeding is or has been pending.

59 No change for subd 5

60 Subd. 6. RIGHT OF SUBROGATION. When a financial
 61 institution has been closed, and the federal deposit insurance
 62 corporation has paid or made available for payment the insured
 63 deposit liabilities of the closed institution, the corporation,
 64 whether or not it has or shall thereafter become a liquidating
 65 agent of the closed institution is subrogated, by operation of
 66 law with like force and effect as if the closed institution were
 67 a national bank, to all rights of the owners of these deposits
 68 against the closed financial institution in the same manner and
 69 to the same extent as now or hereafter necessary to enable the
 70 federal deposit insurance corporation under federal law to make
 71 insurance payments available to depositors of closed insured
 72 financial institutions; provided, that the rights of depositors
 73 and other creditors of the closed institution shall be
 74 determined in accordance with the laws of this state. The
 75 commissioner may, ~~in-his-or-her-discretion~~ in the event of the *
 76 closing of any financial institution pursuant to section 49.04,

1 subdivision 1, the deposits of which financial institution are
 2 to any extent insured by the corporation, tender to the
 3 corporation the appointment as liquidating agent of this
 4 financial institution and, if the corporation accepts the
 5 appointment, it shall have and possess all the powers and
 6 privileges provided by the laws of this state with respect to a
 7 special deputy examiner of the department of commerce in the
 8 management and liquidation of this institution, and be subject
 9 to all of the duties of the special deputy examiner; provided,
 10 that nothing contained in this subdivision shall be construed as
 11 a surrender of the right of the commissioner to liquidate
 12 financial institutions under ~~his-or-her~~ the commissioner's *
 13 supervision pursuant to the statute in such case made and
 14 provided; and the commissioner may waive the filing of a bond by
 15 the corporation as the special deputy examiner.

049*#07S

16 49.07 REORGANIZATION DURING LIQUIDATION.
 17 Subdivision 1. PLAN. When the commissioner, with a
 18 view to restoring the solvency of any bank or trust company of
 19 which ~~he~~ the commissioner has taken charge pursuant to law, *
 20 shall approve a reorganization plan entered into between the
 21 depositors and unsecured creditors of such bank or trust company
 22 and the bank or trust company or reorganizers thereof which
 23 represent 90 percent of the amount of deposits and unsecured
 24 claims of the bank or trust company, then and in such case all
 25 other depositors and unsecured creditors shall be held to be
 26 subject to this agreement to the same extent and with the same
 27 effect as if they had joined in the execution thereof, and their
 28 claims shall be treated in all respects as if they had joined in
 29 the execution of the articles or reorganization plan in the
 30 event of restoration of the bank or trust company to solvency,
 31 and the reopening of the same for business.

32 No change for subd 2 to 3

049*#17S

33 49.17 ASSESSMENTS AGAINST STOCKHOLDERS; ORDERS FOR.
 34 In all cases where a state bank or trust company has been
 35 closed and the commissioner of commerce has taken charge of its
 36 business, property, and assets, and the corporation is in
 37 process of liquidation by the commissioner and the commissioner
 38 shall find and determine that the corporation is insolvent, and
 39 it is necessary, in order that the creditors thereof may be
 40 paid, to levy an assessment on and against the stockholders of
 41 the corporation, in such case the commissioner is hereby
 42 authorized and empowered to make and file an order in ~~his~~ the *
 43 commissioner's office, levying an assessment against and upon *
 44 the stockholders of the corporation. This order shall set forth
 45 a summary statement of the assets of the corporation and the
 46 probable value thereof, and of the deposits and other
 47 liabilities of the corporation, and state the reason for the
 48 assessment and the rate thereof against each share of stock, and
 49 fix the time within which the assessment must be paid, which
 50 time shall not be less than 40 days from the date of filing the
 51 order.

52 A certified copy of the order shall be filed in the office
53 of the clerk of court in the county where the corporation has
54 its principal place of business.

55 A copy of the order shall be served by the commissioner of
56 commerce, by certified mail, on each of the stockholders of the
57 corporation, directed to ~~his~~ the stockholder's last known *
58 address, within ten days after the filing of the order in the
59 office of the commissioner.

049*#20S

60 49.20 REMEDY EXCLUSIVE.
 61 The provisions of sections 49.17 to 49.19 shall not be
 62 cumulative but shall be the exclusive procedure for the levying
 63 of assessments upon and against stockholders of banks or trust
 64 companies in charge of the commissioner of commerce and in
 65 process of liquidation by ~~him~~ the commissioner. *

049*#215S

66 49.215 VOLUNTARY LIQUIDATIONS.
 67 Subdivision 1. RESOLUTION FOR. By a resolution duly
 68 adopted by the holders of 75 percent of its stock, a bank, a
 69 trust company, one acting in the capacity of both a bank and
 70 trust company, a savings bank, an industrial loan and thrift
 71 company, or an investment company may go into voluntary
 72 liquidation upon filing a certified copy of such resolution with

1 the commissioner and obtaining ~~his~~ written consent to such *
2 voluntary liquidation.

3 Subd. 2. NOTICE TO CREDITORS. After the filing of
4 such certified copy of such resolution and obtaining the written
5 consent of the commissioner, it shall give eight weeks published
6 notice, in a qualified newspaper in the county of the principal
7 place of business of such financial institution, to creditors to
8 present their claims, file a copy thereof with the commissioner
9 within one week after the first publication thereof, and file
10 with ~~him~~ the commissioner proof of the publication within ten *
11 days after the completion thereof.

12 Subd. 3. CERTIFICATE OF LIQUIDATION. Upon
13 compliance with the foregoing and upon filing with the
14 commissioner an affidavit of the president and cashier of said
15 financial institution that the provisions of subdivision 4 have
16 been complied with and that all depositors and other creditors
17 have been paid in full, or, if any dividends or any moneys set
18 apart for the payment of claims remain unpaid and the places of
19 residence of the depositors or other creditors are unknown to
20 the persons making the affidavit, that sufficient funds have
21 been turned over to the commissioner for payment into the state
22 treasury to pay said depositors and other creditors, in the
23 manner provided by subdivision 5, the commissioner shall issue
24 ~~his~~ a certificate of liquidation, and, upon the filing for *
25 record of said certificate of liquidation in the office of the
26 secretary of state and in the office of the county recorder of
27 the county of the principal place of business of such financial
28 institution immediately prior to its voluntary liquidation, the
29 liquidation of said financial institution shall be complete, and
30 its corporate existence shall thereupon terminate.

31 Subd. 4. OMITTED ASSETS; TRUSTEE. If any assets
32 have been omitted from the liquidation, before the commissioner
33 shall file ~~his~~ a certificate of liquidation the financial *
34 institution being liquidated shall petition the district court
35 for the appointment of a trustee and shall transfer the title to
36 all assets so omitted from its liquidation to the trustee,
37 except unpaid dividends or any moneys set apart for the payment
38 of claims remaining unpaid, and turn over to the commissioner of
39 commerce for payment into the state treasury, as provided for in
40 subdivision 5, for the benefit of the persons entitled thereto.
41 Such assets shall thereafter be administered and distributed by
42 the trustee subject to the approval of the district court.

43 Subd. 5. DISPOSITION OF UNCLAIMED DIVIDENDS. If any
44 dividends or any moneys set apart for the payment of claims
45 remain unpaid and the places of residence of the owners thereof
46 are unknown to the officers of the financial institution being
47 liquidated, they may pay the same over to the commissioner for
48 payment into the state treasury, furnishing ~~him~~ the commissioner *
49 certified triplicate lists of any such unclaimed dividends or
50 other moneys, specifying the name of each owner, the amount due
51 ~~him~~, and ~~his~~ the owner's last known address. Thereafter the *
52 commissioner shall deposit said unpaid dividends or other moneys
53 in the state treasury in the manner provided for in section
54 49.24, subdivision 13, with reference to unclaimed dividends and
55 other moneys in ~~his~~ the commissioner's hands as a result of *
56 involuntary liquidations and the provisions of said subdivision
57 13 which apply to such unclaimed dividends and other moneys.

049*#24S

58 49.24 PROCEDURE IN LIQUIDATION.

59 No change for subd 1

60 Subd. 2. COLLECTION OF DEBTS; COMPROMISE OF DEBTS AND
61 SALE OF PROPERTY. The commissioner shall collect all debts
62 due and all claims belonging to such financial institution.
63 Whenever ~~he~~ the commissioner is of the opinion that a debt due *
64 such financial institution is bad or doubtful ~~he~~ the *
65 commissioner may present a verified petition to a judge of the *
66 district court setting forth the facts; and the judge if
67 satisfied that it is for the best interests of the creditors may
68 hear such petition without notice and make an order granting
69 such petition and authorizing the petitioner to sell, compound,
70 or compromise such debt. Personal property or real estate may
71 be sold on like petition, approval, and order. If a petition
72 for the sale of real estate is presented, the judge may require
73 that notice of a hearing thereon be given to the creditors by
74 publication in such manner as ~~he~~ the judge orders. The *
75 commissioner may compromise bad or doubtful debts and sell

1 personal property having a book value, as shown by the
2 commissioner's inventory, of not to exceed \$200 without such
3 order.

4 No change for subd 3 to 4

5 Subd. 5. REJECTION OF CLAIMS; ACTIONS; LIMITATIONS.

6 If the commissioner doubts the justice or validity of any claim,
7 ~~he~~ the commissioner may reject the same in whole or in part and *
8 serve notice of such rejection upon the claimant, either by mail
9 or personally. An affidavit of the service of such notice made
10 according to law shall be filed with the commissioner. An
11 action upon a claim so rejected must be brought within 60 days
12 after such service and the filing of proof thereof. The venue
13 of such action shall be in the county in which such financial
14 institution had its principal place of business prior to
15 liquidation, and such action shall be brought jointly against
16 the financial institution and the commissioner as statutory
17 liquidator thereof. Any person having a claim against such
18 financial institution which is not presented and filed within
19 the time fixed in the notice to creditors may thereafter present
20 the same and the commissioner shall allow or reject the same in
21 whole or in part and give notice of any rejection, as
22 hereinbefore provided. Suit on any such claim not filed within
23 the time fixed by the notice which is rejected must be brought
24 within 30 days after the service and filing of proof of such
25 rejection. Any claim not filed within the time fixed in the
26 notice to creditors but later received and filed as by this
27 section provided and duly allowed, shall participate and share
28 in such dividends only as shall be paid from the proceeds of
29 those assets remaining undistributed at the time of filing of
30 such claim, and any claim not filed prior to the declaration of
31 a final dividend shall be barred. No action shall be commenced
32 against any such financial institution after possession of the
33 business and property thereof has been taken by the commissioner
34 on any claim until such claim has been filed with and rejected,
35 in whole or in part, by ~~him~~ the commissioner. As to any action *
36 pending at the time the commissioner takes possession of the
37 business and property of such financial institution which has
38 been stayed by order of the court, a claim may be filed for the
39 subject matter of said action. If the claim be allowed, the
40 action shall terminate and be dismissed without costs and
41 disbursements, but, if rejected in whole or in part, the stay
42 order shall be vacated, and the action may continue. No
43 interest shall be allowed or paid on any deposit or other claim
44 from and after the closing of the financial institution and the
45 taking over of the same by the commissioner for purposes of
46 liquidation.

47 Subd. 6. FILING LIST OF CLAIMS. Upon the expiration
48 of the time fixed for the presentation of claims, the
49 commissioner shall make in duplicate a complete list of the
50 claims presented, including and specifying such claims as have
51 been rejected by ~~him~~ the commissioner, one such list to be filed *
52 in ~~his~~ the commissioner's office and one in the office of the *
53 clerk of the district court. The inventory and list of claims
54 shall be open at all reasonable times to inspection.

55 No change for subd 7 to 8

56 Subd. 9. DIVIDENDS ON CLAIMS. At any time after the
57 expiration of the date fixed for the presentation of claims the
58 commissioner may, out of the funds remaining on hand after the
59 payment of expenses, declare one or more dividends, and after
60 the expiration of one year from the first publication of notice
61 to creditors ~~he~~, may declare a final dividend, such dividends to *
62 be paid to such persons in such amounts as may be directed by
63 the district court.

64 If any dividend on any claim shall be less than \$1, the
65 commissioner may, ~~in his discretion~~, hold that dividend until it *
66 with subsequent dividends amounts to the sum of \$1 or more. ~~He~~ *
67 The commissioner shall pay all dividends so withheld with the *
68 final dividend.

69 No change for subd 10

70 Subd. 12. COMPLETION OF LIQUIDATION AFTER FULL PAYMENT
71 OF CLAIMS. Whenever the commissioner shall have paid each
72 and every depositor and other creditor of any financial
73 institution in liquidation (not including stockholders) whose
74 claim or claims as such creditor or depositor shall have been
75 duly approved and allowed, and who can be located by the
76 commissioner for the purpose of making payment, the full amount

1 of such claim or claims as allowed, and shall have made proper
2 provisions for any dividends or other moneys set apart for the
3 payment of claims remaining unpaid, and shall have paid all the
4 expenses of the liquidation, ~~he~~ the commissioner shall call a *
5 meeting of the stockholders of such financial institution by
6 giving notice thereof for ten days by publishing such notice in
7 one or more newspapers of the county where it had its principal
8 place of business prior to liquidation. At such meeting the
9 stockholders shall determine whether the commissioner shall be
10 continued as liquidator and shall wind up the affairs of such
11 financial institution, or whether an agent or agents shall be
12 elected for that purpose, and in so determining the said
13 stockholders shall vote by ballot, in person or by proxy, each
14 share of stock entitling the holder to one vote, and the
15 majority of the stock shall be necessary to a determination. In
16 case it is determined to continue the liquidation under the
17 commissioner ~~he~~, the commissioner shall complete the liquidation *
18 of the affairs of such financial institution, and after paying
19 the expenses thereof, if there are proceeds of liquidation as
20 yet undistributed ~~he~~ shall reimburse any stockholders who have *
21 paid stock assessments pursuant to any order for assessment to
22 the extent that each has paid, and if the proceeds are
23 insufficient to reimburse such paying stockholders in full, then
24 in just proportion. Any proceeds remaining undistributed after
25 such paying stockholders have been reimbursed as by this
26 subdivision provided shall be distributed among all the
27 stockholders in proportion to their several holdings of stock in
28 such manner and upon such notice as may be directed by the
29 district court. In case it is determined to appoint an agent or
30 agents to liquidate, the stockholders shall thereupon select
31 such agent or agents by ballot, a majority of the stock present
32 and voting, in person or by proxy, being necessary to a choice.
33 Such agent or agents shall execute and file with the
34 commissioner a bond to the state of Minnesota, in such amount,
35 with such sureties, and in such form as shall be approved by the
36 commissioner, conditioned for the faithful performance of all
37 the duties of ~~his-or-their~~ trust, and thereupon the commissioner *
38 shall transfer and deliver to such agent or agents all the
39 undivided or uncollected or other assets of such corporation
40 then remaining in ~~his~~ the commissioner's hands, and upon such *
41 transfer and delivery the said commissioner shall be discharged
42 from any and all further liability to such financial institution
43 and its creditors. Such agent or agents shall convert the
44 assets ~~coming-into-his-or-their-possession~~ into cash and shall *
45 account for and make distribution of the property of such
46 financial institution as is herein provided in the case of
47 distribution by the commissioner, except that the expenses
48 thereof shall be subject to the direction and control of the
49 district court. In case of the death, removal or refusal to act
50 of any such agent, the stockholders, on the same notice as that
51 after which they were elected, and in the same way may elect a
52 successor who shall have the same powers and be subject to the
53 same liabilities and duties as the agent originally elected.
54 Subd. 13. DISPOSITION OF UNCLAIMED DIVIDENDS. Upon
55 the liquidation of any financial institution liquidated by the
56 commissioner as statutory liquidator, if any dividends or other
57 moneys set apart for the payment of claims remain unpaid, and
58 the places of residence of the owners thereof are unknown to the
59 commissioner, ~~he~~ the commissioner may pay same into the state *
60 treasury as hereinafter provided. Whenever the commissioner
61 shall be satisfied that the process of liquidation should not be
62 further continued ~~he~~ the commissioner may make and certify *
63 triplicate lists of any such unclaimed dividends or other
64 moneys, specifying the name of each owner, the amount due ~~him~~, *
65 and ~~his~~ the last known address. Upon one of such lists, to be *
66 retained by the commissioner ~~he~~ shall ~~endorse-his~~ be endorsed *
67 the commissioner's order that such unclaimed moneys be forthwith *
68 deposited in the state treasury. When so deposited, one of said
69 lists shall be delivered to the state treasurer and another to
70 the commissioner of finance and the commissioner shall retain in
71 ~~his~~ the commissioner's office such records and proofs concerning *
72 said claims as ~~he~~ the commissioner may have, which shall *
73 thereafter remain on file in ~~his~~ the office. The treasurer *
74 shall execute upon the list retained by the commissioner a
75 receipt for such money, which shall operate as a full discharge
76 of the commissioner on account of such claims. At any time

1 within six years after such receipt, but not afterward, the
 2 claimant may apply to the commissioner for the amount so
 3 deposited for ~~his~~ the claimant's benefit, and upon proof
 4 satisfactory to the governor, the attorney general and the
 5 commissioner, or to a majority of them, they shall give an order
 6 to the commissioner of finance to issue ~~his~~ a warrant upon the
 7 treasurer for such amount, and such warrant shall thereupon be
 8 issued. If no such claim be presented within six years the
 9 commissioner shall so note upon ~~his~~ the commissioner's copy of
 10 said list and certify the fact to the commissioner of finance
 11 and treasurer who shall make like entries upon the corresponding
 12 lists in their hands; and all further claims to said money shall
 13 be barred. Provided, that the state treasurer shall transfer to
 14 the commissioner of commerce's liquidation fund created by this
 15 section not to exceed 50 percent of the amount so turned over ~~to~~
 16 ~~him~~ by the commissioner, to be used to partially defray expenses
 17 in connection with the liquidation of closed banks and the
 18 conduct of the liquidation division, in such amounts and at such
 19 times as the commissioner shall request.

20 There is hereby appropriated to the persons entitled to
 21 such amounts, from such moneys in the state treasury not
 22 otherwise appropriated, an amount sufficient to make such
 23 payment.

24 Subd. 14. DESTRUCTION OF BOOKS AND RECORDS. At any
 25 time after ten years from the date of payment of the final
 26 dividend in liquidation of any financial institution the
 27 commissioner may destroy all books and records of such financial
 28 institution which came into ~~his~~ the commissioner's care and
 29 custody at the time ~~he~~ the commissioner took possession of the
 30 assets thereof, unless ~~he has been~~ requested by some interested
 31 party to preserve any such books or records for any purpose for
 32 any period beyond such ten years.

33 No change for subd 15

34 Subd. 16. TRANSFERS TO LIQUIDATION FUND. The
 35 following moneys shall be transferred to and deposited in the
 36 commissioner of commerce's liquidation fund:

37 (1) All moneys paid to the state treasurer by the
 38 commissioner out of funds of any financial institution in ~~his~~
 39 the commissioner's hands as reimbursement for services and
 40 expenses pursuant to the provisions of subdivision 7.

41 (2) All moneys in the possession of the commissioner set
 42 aside for the purpose of meeting unforeseen and contingent
 43 expenses incident to the liquidation of closed financial
 44 institutions, which funds have been or shall be hereafter
 45 established by withholding portions of final liquidating
 46 dividends in such cases.

47 (3) All moneys which the commissioner shall request the
 48 state treasurer to transfer to such fund pursuant to the
 49 provisions of subdivision 13.

50 (4) All moneys in the possession of the commissioner now
 51 carried on ~~his~~ the commissioner's books in "stamp account,"
 52 "suspense account," and "unclaimed deposit account."

53 (5) All moneys in the possession of the commissioner which
 54 ~~he~~ the commissioner may be authorized by order of any district
 55 court having jurisdiction of any liquidation proceedings to
 56 transfer to such fund, or to use for any of the purposes for
 57 which the fund is established.

58 (6) All moneys in the possession of the commissioner
 59 carried on ~~his~~ the commissioner's books in the "unclaimed bonds
 60 account." At any time within one year after the effective date
 61 of Laws 1945, Chapter 128, or within six years after any bond
 62 the proceeds of the sale of which constitute a portion of the
 63 moneys in this paragraph referred to came into the possession of
 64 the commissioner as liquidator of any financial institution,
 65 whichever is later, any claimant thereto may apply to the
 66 commissioner for the proceeds of the sale of such bond, and,
 67 upon proof satisfactory to the governor, the attorney general,
 68 and the commissioner, or a majority of them, they shall give an
 69 order to the commissioner of finance to issue ~~his~~ a warrant upon
 70 the treasurer for such amount, without interest, and such
 71 warrant shall thereupon be issued and the amount thereof paid
 72 out of the commissioner of commerce's liquidation fund. If no
 73 such claim be presented within such period, all further claims
 74 to the proceeds of any such bond shall be barred.

75 (7) All sums which the commissioner may receive from the
 76 sale of personal property of liquidated financial institutions

1 where the final dividend has been paid and no disposition of
2 said property made by any order of the court, and the proceeds
3 of sales of any personal property used by the liquidation
4 division which have been purchased with funds of financial
5 institutions in liquidation.

6 No change for subd 17

049*#41S

7 49.41 RIGHTS OF DISSENTING STOCKHOLDERS.

8 Any stockholder not voting in favor of the agreement of
9 consolidation at the meeting prescribed in section 49.37 may, at
10 that meeting, or within 20 days thereafter, object to the
11 consolidation and demand payment for ~~his~~ that person's stock. *

12 If the consolidation takes effect at any time after this demand,
13 the stockholder may, at any time within 60 days thereafter,
14 apply to the district court in the county wherein is situated
15 the principal place of business of the corporation with which
16 the other or others are consolidated, for the appointment of
17 three persons to appraise the value of ~~his~~ that person's stock. *

18 The court shall thereupon appoint these appraisers and designate
19 the time and place of their first meeting, with such directions
20 in regard to their proceedings as shall be deemed proper, and
21 also direct the time and manner in which payment shall be made
22 of the value of ~~his~~ that person's stock to the stockholder. The *

23 appraisers shall meet at the time and place designated, after
24 being duly sworn to discharge their duties honestly and
25 faithfully, make and certify a written estimate of the value of
26 the stock at the time of the appraisal, and deliver one copy to
27 the corporation and another to the stockholder, if demanded.

28 The charges and expenses of the appraisers shall be paid
29 one-half by the stockholder and one-half by the corporation.

30 When the corporation shall have paid the appraised value of this
31 stock, the stock shall be canceled and this stockholder shall
32 cease to be a member of the corporation or to have any interest
33 in this stock or in the corporation or in the corporate
34 property, and this stock may be held and disposed of by the
35 corporation for its own benefit.

049*#43S

36 49.43 STATE BANK; CONVERSION, MERGER, CONSOLIDATION;
37 NATIONAL BANKING ASSOCIATION.

38 A state bank may convert into a national banking
39 association or merge or consolidate with one or more national
40 banking associations under the charter of one of such national
41 banking associations as permitted by any law of the United
42 States without approval of any authority of this state, upon the
43 affirmative vote, at a meeting of stockholders called for that
44 purpose, of the holders of not less than two-thirds of the
45 voting power of all stockholders of such state bank entitled
46 under the articles of incorporation to vote. Any stockholder
47 not voting in favor of such conversion or merger or
48 consolidation at such meeting may, at that meeting or within 20
49 days thereafter, object to the conversion, merger, or

50 consolidation and demand payment for ~~his~~ that person's stock at
51 the par value or the book value thereof, whichever shall be the
52 greater. If the conversion, merger or consolidation takes

53 effect at any time after this demand and the resulting national
54 bank has not made payment ~~to him~~ in the amount demanded, the
55 stockholder may, at any time within 60 days thereafter, apply to
56 the district court in the county wherein is situated the

57 principal place of business of the national banking association
58 into which the state bank has been converted or with which it
59 has merged or consolidated for the appointment of three persons
60 to appraise the value of ~~his~~ that person's stock. The court *

61 shall thereupon appoint these appraisers and designate the time
62 and place of their first meeting, with such directions in regard
63 to their proceedings as shall be deemed proper and also direct
64 the time and manner in which payment shall be made of the value
65 of ~~his~~ that person's stock to the stockholder. The appraisers *

66 shall meet at the time and place designated and, after being
67 duly sworn to discharge their duties honestly and faithfully,
68 make and certify a written estimate of the value of the stock at
69 the time of the appraisal and deliver one copy to the national
70 banking association and another to the stockholder. The charges

71 and expenses of the appraisers shall be paid one-half by the
72 stockholder and one-half by the national banking association.

73 When the national banking association shall have paid the
74 appraised value of the stock, the stock shall be canceled and

1 the stockholder shall cease to be a member of the national
 2 banking association or to have any interest in the stock or in
 3 the corporation or in the corporate property and the stock may
 4 be held and disposed of by the national banking association for
 5 its own benefit. In lieu of the rights given a dissenting
 6 stockholder by this section, he the stockholder may exercise any
 7 rights given him by applicable law of the United States. *

049*#46S

8 49.46 STATE BANK, RETENTION OF ASSETS.
 9 The commissioner of commerce, ~~in his discretion and~~ subject
 10 to such conditions as he the commissioner may prescribe, may
 11 permit a state bank resulting from a conversion, merger or
 12 consolidation of a national banking association to retain and
 13 carry at a valuation determined by him the commissioner, such of
 14 the assets of such national banking association as do not
 15 conform to the legal requirements relative to assets acquired
 16 and held by state banks. *

050*#01S

17 50.01 EXPEDIENCY ASCERTAINED.
 18 To enable the commissioner of commerce to determine the
 19 expediency of the organization of a savings bank, as in this
 20 chapter prescribed, he the commissioner shall investigate and
 21 ascertain: *

22 (1) Whether greater convenience of access to a savings bank
 23 will be afforded to any considerable number of depositors by
 24 opening the proposed bank;

25 (2) Whether the population in the vicinity of the location
 26 of the bank affords reasonable promise of adequate support
 27 therefor; and

28 (3) Whether the responsibility, character, and general
 29 fitness of the persons named as trustees in the certificate are
 30 such as to command the confidence of the community in the
 31 proposed bank.

050*#02S

32 50.02 REFUSAL TO ISSUE CERTIFICATE.
 33 When the commissioner of commerce shall be satisfied that
 34 the establishment of the bank will not be expedient, he the
 35 commissioner shall forthwith transmit to the county recorder of
 36 the county of its proposed location his a certificate that he
 37 the commissioner has refused to issue a certificate of
 38 authorization for the bank, and the county recorder shall
 39 forthwith file and record the same and refer thereto on the
 40 margin of the record of the declaration of the proposed trustees
 41 theretofore filed and recorded in his the commissioner's office. *

050*#03S

42 50.03 BUSINESS COMMENCED WITHIN ONE YEAR; EXTENSION.
 43 If the savings bank shall not commence business within one
 44 year after the issue of its certificate of authority, it shall
 45 forfeit its corporate franchises, unless allowed further time,
 46 not exceeding one year, by an order of the commissioner of
 47 commerce, reciting good cause, and transmitted by him the
 48 commissioner to the county recorder. *

050*#04S

49 50.04 BONDS OF TRUSTEES.
 50 Every trustee, before entering upon his any duties, shall
 51 give bond to the state in a penal sum of not less than \$5,000,
 52 with sureties approved by a judge of the district court,
 53 conditioned for the faithful discharge of his those duties, and
 54 file the same for record with the county recorder of the county,
 55 who, after record, shall transmit it to the commissioner of
 56 commerce. An action may be maintained on this bond by any
 57 person aggrieved by breach of any of its conditions, upon leave
 58 granted by any such judge, for such damages as the plaintiff may
 59 be entitled to, not exceeding its amount; and like successive
 60 actions may be maintained until such amount is exhausted. *

050*#05S

61 50.05 BOND OF TREASURER.
 62 Before entering upon his any duties, the treasurer shall
 63 give bond to the bank in such sum, not less than \$10,000, as the
 64 board of trustees shall prescribe, for the faithful discharge of
 65 his those duties, and at any time thereafter he may be required
 66 by the board to furnish additional security. The board may also
 67 require, at any time, from any other officer, employee, or
 68 agent, such security as it deems necessary. *

050*#08S

69 50.08 TRUSTEES TO HAVE NO INTEREST IN PROFITS; VACANCY;

1 COMPENSATION.

2 No trustee of any savings bank shall have any interest,
 3 direct or indirect, in its profits, or, directly or indirectly,
 4 receive any compensation or reward for ~~his~~ services as such, *
 5 except as hereinafter provided; and no trustee or officer, *
 6 directly or indirectly, ~~for-himself~~ individually or as the agent
 7 or partner of others or otherwise, or in any representative or
 8 fiduciary capacity, shall borrow any of its funds or deposits,
 9 or in any manner use the same, except in current and necessary
 10 disbursements previously authorized by specific resolution of
 11 the board; nor shall ~~he~~ the trustee become an endorser or surety *
 12 or in any manner ~~render-himself~~ become liable to it for money *
 13 loaned or in any other way or respect, or without resignation
 14 become a trustee, officer, or employee of any other savings
 15 bank. Wilful violation of any of the foregoing provisions shall
 16 vacate ~~his~~ the trustee's office, and render ~~him~~ the trustee *
 17 thereafter ineligible to election or appointment as trustee or
 18 officer of any savings bank. Failure to attend the regular
 19 meetings of the board or to perform any other ~~of-his~~ duties as *
 20 trustee for six successive months, without having been
 21 previously excused, shall vacate ~~his~~ the trustee's office as *
 22 ~~trustee~~, but such non-attendance merely shall not render ~~him~~ the *
 23 trustee ineligible to election or appointment. Trustees acting *
 24 as officers whose duties require and receive their regular and
 25 faithful attendance at the bank, and trustees appointed as a
 26 committee whose duties require and receive their actual service,
 27 may receive such compensation as a majority of the board of
 28 trustees, exclusive of the trustee to whom the compensation
 29 shall be voted, may determine.

050*#14S

30 50.14 AUTHORIZED SECURITIES.

31 No change for subd 1 to 13

32 Subd. 14. (a) The district court, upon petition of a
 33 trustee under a will or other instrument may, if the trust does
 34 not otherwise provide, authorize the trustee to invest the
 35 income or principal of the trust fund in policies of life or
 36 endowment insurance or annuity contracts issued by a life
 37 insurance company duly authorized to transact business in the
 38 state, on the life of any beneficiary of the trust or on the
 39 life of any person in whose life such beneficiary has an
 40 insurable interest.

41 (b) The probate court, upon the application of a guardian,
 42 may authorize ~~him~~ the guardian to invest income or principal of *
 43 the estate of ~~his~~ the ward in policies of life or endowment *
 44 insurance or annuity contracts, issued by a life insurance
 45 company duly authorized to transact business in the state, on
 46 the life of the ward or on the life of a person in whose life
 47 the ward has an insurable interest.

48 No change for subd 15 to 18

050*#16S

49 50.16 PROHIBITED DEALINGS.

50 Except as otherwise provided in this chapter, any savings
 51 bank shall not, directly or indirectly, deal in any kind of
 52 property or engage in any other business not essential to the
 53 transaction of its own, and no officer or director thereof,
 54 except as ~~his~~ the officer's duties ~~as-such-officer-may~~ require, *
 55 shall, directly or indirectly, engage in lending or collecting
 56 money or protesting commercial paper, or buying, selling, or
 57 exchanging any kind of property in or about its bank.

050*#17S

58 50.17 DEPOSITS, DIVIDENDS, INTEREST, BONUS, BENEFITS.

59 No change for subd 1

60 Subd. 2. Every such savings bank may also enter into
 61 agreements with depositors designed to promote systematic thrift
 62 by providing for regular deposits over agreed periods of time
 63 and in connection with any such plan to provide thrift incentive
 64 may classify depositors generally according to character,
 65 amount, regularity or duration of deposits or type of agreement,
 66 and may agree to pay and provide for different rates of
 67 interest, bonuses and benefits based on any such
 68 classification. All depositors of the same class shall be
 69 entitled to receive interest, bonuses and benefits of
 70 substantially the same value. When it shall appear to the
 71 commissioner from an examination ~~made-by-him~~, or otherwise, that *
 72 the classification of depositors as to character, amount,
 73 regularity or duration of deposits or type of agreement and the

1 different rates of interest, bonuses and benefits based on any
 2 such classification are not in the best interests of the bank
 3 and its depositors, he the commissioner may by written order
 4 direct that changes be made and thereafter such changes shall be
 5 incorporated in any agreements entered into by the bank.

050*#22S

6 50.22 PROCEEDINGS UPON VIOLATION.

7 When it shall appear ~~to the commissioner of commerce~~, from
 8 an examination made by him the commissioner of commerce or
 9 otherwise, that any such corporation has violated the law, or is
 10 conducting its business in an unsafe or unauthorized manner, he
 11 the commissioner shall, by written order, direct such methods to
 12 be discontinued and that its business be conducted in conformity
 13 with law. If any such corporation refuses or neglects to comply
 14 with this order, or to make any report required by law or by the
 15 commissioner of commerce, or if it shall appear to the
 16 commissioner of commerce that it is unsafe or inexpedient for
 17 any such corporation to continue to transact business, he the
 18 commissioner shall report the facts to the attorney general, who
 19 shall take such action thereon as the case requires. This
 20 action may be for the removal of one or more of the trustees of
 21 the corporation, the transfer of its corporate powers to other
 22 persons, its merger and consolidation with another like
 23 corporation willing to accept the trust, or such other
 24 appropriate action as the facts may require; and the court may
 25 grant any such relief in the interests of justice and, to
 26 protect the rights of the parties, may, from time to time,
 27 revoke or modify its orders made in the matter.

050*#23S

28 50.23 CHANGE OF NAME.

29 When a resolution shall be adopted by the trustees of the
 30 bank expressing their purpose to change its name, they shall
 31 cause notice of this purpose, containing the present and
 32 proposed names, to be published in the manner provided for
 33 publication of notice of intention to organize. On completion
 34 of this publication, the trustees shall make application to the
 35 commissioner of commerce to change the name of the bank, as
 36 specified in the resolution and publication, accompanied by
 37 proof of the adoption of the resolution and publication of
 38 notice. If this change be approved by the commissioner of
 39 commerce, he the commissioner shall authorize and direct the
 40 same by an a signed order under his hand and seal, and designate
 41 a day, not more than 30 days from its date, when the change
 42 shall take effect. He The commissioner shall execute the order
 43 in triplicate, one to be filed with the county recorder of the
 44 county where the bank is situated, one delivered to the bank,
 45 and the other filed in his the commissioner's office. From the
 46 date named in this order, the bank shall be known and designated
 47 by its new name, and under this name shall have the same rights
 48 and powers and be subject to the same liabilities as before the
 49 change.

051A#02S

50 51A.02 DEFINITIONS.

51 No change for subd 1 to 3

52 Subd. 4. "Direct reduction loan" means a loan or other
 53 obligation repayable in consecutive monthly installments, equal
 54 or unequal, beginning not later than 90 days after the date of
 55 the advance, sufficient to retire the debt, interest, and
 56 principal within 40 years, the initial contract of which shall
 57 not provide for any subsequent monthly installment of interest
 58 and principal of an amount larger than any previous monthly
 59 installment, except that provisions may be contained in the
 60 contract which specify that one or more consecutive monthly
 61 installments may be lapsed to the extent that monthly
 62 installments have been made ahead of schedule or, in the event
 63 of an emergency to the borrower affecting his the borrower's
 64 ability to pay, to the extent of no more than six monthly
 65 installments but that nevertheless the full amount of principal
 66 and interest shall be paid within the scheduled term of the
 67 loan; provided, that in the case of construction loans the first
 68 installment under the contract shall be payable not later than
 69 18 months after the date of the first advance. The loan or
 70 obligation is an amortized loan.

71 No change for subd 4a to 25

051A#03S

72 51A.03 INCORPORATION.

1 No change for subd 1

2 Subd. 2. PREAPPROVED BYLAWS OF MUTUAL ASSOCIATIONS.

3 The following form of bylaws may be adopted and used by any
4 mutual association without specific approval of the
5 commissioner. The bylaws may be amended and different bylaws
6 may be adopted with the approval of the commissioner.

7 (1) Meeting procedure. All meetings of the members and of
8 the board of directors shall be conducted in accordance with
9 Robert's Rules of Order.

10 (2) Annual meeting of members. The annual meeting of the
11 members of the association for the election of directors and for
12 the transaction of other business of the association shall be
13 held at its home office at a time and day to be specified in
14 January in each year, or, if a legal holiday, then on the next
15 succeeding day not a legal holiday. The annual meeting may be
16 held at another time and day in January or at another place in
17 the same community the board of directors determines, but at
18 least ten days' written notice thereof shall be sent to each
19 member-at-his the last known address appearing of each member as
20 it appears upon the membership records of the association, or
21 ten days' notice of the other time, date, and place of meeting
22 shall be given by publication in a newspaper of general
23 circulation in the county in which the home office of the
24 association is located. At each annual meeting, the officers
25 shall make a report of the financial condition of the
26 association and of its progress for the preceding year, and
27 shall outline a program for the succeeding year.

28 (3) Special meetings of members. A special meeting of the
29 members of the association may be called at any time by the
30 chairman chair of the board of directors, the president, or the
31 board of directors, and shall be called by the president, a vice
32 president, or the secretary upon the written request of members
33 of record holding, in the aggregate, at least one-tenth of the
34 savings liability of the association. The written requests
35 shall state the purposes of the meeting and shall be delivered
36 at the principal office of the association addressed to the
37 president.

38 (4) Notice of meetings of members. Except as hereinabove
39 provided, no notice of annual meetings of members need be given
40 to members. Notice of each special meeting of members shall
41 state the purposes for which the meeting is called, the place of
42 meeting, and the time when it shall convene, and shall be
43 published once a week for two consecutive calendar weeks, in
44 each instance on any day of the week, prior to the date on which
45 the special meeting shall convene, in a newspaper of general
46 circulation in the county in which the principal office of the
47 association is located. In addition to the publication of the
48 notice, a copy thereof shall be posted in a conspicuous public
49 place in the principal office of the association during the 14
50 days immediately preceding the date on which the special meeting
51 shall convene.

52 (5) Procedure for nomination of directors. On or before
53 the 30th day prior to the date of the annual meeting the
54 president, with the approval of the board of directors, shall
55 appoint a nominating committee of three members of the
56 association, and the nominating committee shall, on or before
57 the 15th day prior to the date of the annual meeting, nominate a
58 qualified member of the association to serve as a director for
59 each vacancy in the board of directors of the association and to
60 succeed each director whose term is expiring at the annual
61 meeting. The nominations shall be in writing, signed by the
62 members of the nominating committee, and shall be filed with the
63 secretary of the association. Any member of the association,
64 acting in his-own-membership that capacity, may nominate any
65 qualified member of the association for the office of director
66 to fill any vacancy in the board of directors or to succeed each
67 director whose term is expiring at the annual meeting, provided
68 the nomination is made in writing, signed by the member, and
69 filed with the secretary of the association and with the
70 commissioner at least 15 days before the meeting. The written
71 nomination by a member acting in his-own-membership that
72 capacity shall contain the following information to the extent
73 known to the member: (1) The names and addresses of the
74 nominees; (2) the major occupations of the nominees; (3) the
75 total number of votes that to the knowledge of the member will
76 be voted for the nominees; (4) the name and residence address of

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1 the member; and (5) the number of votes which may be cast by the
 2 members. The names of all nominees nominated by the nominating
 3 committee and by members, as herein provided, shall be printed,
 4 typed, or written upon ballots, which shall be used in the
 5 election of directors at the annual meeting, and no other
 6 nomination shall be considered at the meeting; provided that in
 7 the event no nomination has been made either by the nominating
 8 committee or by a member as herein provided, nominations may be
 9 made from the floor at the annual meeting.

10 (6) New business. Any new business to be taken up at the
 11 annual meeting, including any proposal to increase or decrease
 12 the number of directors of the association, shall be stated in
 13 writing and filed with the secretary of the association on or
 14 before the 20th day prior to the date of the annual meeting, and
 15 all business so stated, proposed, and filed shall be considered
 16 at the annual meeting, but no other proposals shall be acted
 17 upon at the annual meeting. Any member may make any other
 18 proposal at the annual meeting and the same may be discussed;
 19 but unless stated in writing and filed with the secretary at
 20 least 20 days before the meeting, the proposals shall be laid
 21 over for action at an adjourned, special, or regular meeting of
 22 the members taking place 30 days or more after the annual
 23 meeting. This provision shall not prevent consideration at the
 24 annual meeting of the reports of officers and reports of
 25 committees. No new business shall be acted upon at a special
 26 meeting of the members except that which has been stated in the
 27 published notice of the meeting as provided in paragraph 4 of
 28 the bylaws.

29 (7) Meetings of the board of directors. The board of
 30 directors shall meet regularly without notice at least once each
 31 month at the place, hour, and date fixed by resolution of the
 32 board of directors. Special meetings of the board of directors
 33 may be held and shall be called by the secretary upon the
 34 written request of the president or of three directors. All
 35 special meetings shall be held upon at least three days' written
 36 notice to each director unless notice be waived in writing by
 37 each director before or after the meeting. The notice shall
 38 state the place, time, and purposes of the meeting. No notice
 39 need be given of any meeting at which every director shall be
 40 present. A majority of the total number of directors authorized
 41 shall constitute a quorum for the transaction of business. The
 42 act of a majority of the directors present at any meeting at
 43 which there is a quorum shall be the act of the board of
 44 directors. If the board of directors of the association elects a
 45 chairman chair of the board of directors, he that person shall
 46 preside at all meetings of the board of directors, if present,
 47 and may exercise any and all powers and perform any and all
 48 duties which the board of directors, by resolution, confers upon
 49 him.

50 (8) Resignation and removal of directors. Any director may
 51 resign at any time by sending a written notice of the
 52 resignation to the principal office of the association addressed
 53 to the secretary. Unless otherwise specified therein, the
 54 resignation shall take effect upon receipt thereof by the
 55 secretary. Any director may be removed either with or without
 56 cause at any time by the majority of all votes cast at any
 57 annual meeting of members, or at any special meeting of members
 58 called for that purpose. Any director, after an opportunity
 59 ~~afforded-him~~ for being heard, may be removed for cause by a
 60 two-thirds majority vote of the total number of directors
 61 authorized, at any regular meeting or at any special meeting
 62 called for that purpose. More than three consecutive absences
 63 from regular meetings of the board of directors, unless excused
 64 by resolution of the board of directors, shall automatically
 65 constitute a resignation, effective when the resignation is
 66 accepted by the board of directors.

67 (9) Compensation of directors. The board of directors, by
 68 resolution, may provide for reasonable compensation to be paid
 69 to directors for services as directors, which compensation shall
 70 not preclude any director from serving the association in any
 71 other capacity and receiving compensation therefor.

72 (10) Executive and other committees. The president with
 73 the approval of the board of directors may appoint an executive
 74 committee of not less than three members of the board which
 75 shall have all the powers of the board of directors between
 76 meetings of the board. Actions taken by the executive committee

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1 shall be disclosed to the board of directors at its next regular
2 or special meeting. There may be a loan policy committee, and
3 other committees the president appoints and empowers with the
4 approval of the board of directors.

5 (11) Officers. The officers of the association shall
6 consist of a president to be chosen from among the directors,
7 one or more vice presidents, a secretary, a treasurer, and any
8 other officers authorized by the board of directors, and shall
9 be elected at the first meeting of the board of directors which
10 follows the annual meeting of members, and which shall be held
11 within 30 days after the annual meeting of members. The board
12 of directors may authorize the appointment of additional
13 officers and employees as it may from time to time determine.
14 Any one person may hold any two offices, except that during his *
15 tenure as president, the president may not hold the office of
16 secretary or treasurer. The term of office of all officers
17 shall be one year or until their respective successors are
18 elected and qualified; but any officer may be removed at any
19 time by the board of directors for or without cause. The
20 officers shall have the powers, duties, and authority generally
21 appropriate to the office held, subject to special provision
22 made by the board of directors at any time.

23 (12) Execution of instruments. All contracts, notes,
24 drafts, acceptances, checks, endorsements, assignments,
25 releases, deeds, all evidences of indebtedness of the
26 association, and all documents, instruments, or writings of any
27 nature shall be signed, executed, verified, acknowledged, and
28 delivered by the officers, agents, or employees of the
29 association, or any one of them in a manner as from time to time
30 may be determined by resolution of the board of directors.
31 Proxies to vote with respect to securities or accounts owned by
32 the association may be executed and delivered from time to time
33 by the president, a vice president, the secretary or treasurer
34 of the association, or by any other person authorized by
35 resolution of the board of directors.

36 (13) Evidence of savings account. Officers or employees
37 designated by the board of directors shall deliver to each
38 person upon the initial credit to his that person's savings *
39 account in the association an account book or other written
40 evidence of the account where the issuance of the evidence may
41 be required.

42 (14) Corporate seal. The seal shall be two concentric
43 circles between which shall be the name of the association. The
44 year of incorporation and the name of this state shall, and an
45 emblem may, appear in the center.

46 (15) Fiscal year. The fiscal year shall be the calendar
47 year.

48 (16) Amendments. With the approval of the commissioner,
49 amendments of these bylaws may be made from time to time or
50 different bylaws adopted by vote of the members, or by a
51 two-thirds majority vote of the total number of directors
52 authorized.

53 We, the undersigned, being the incorporators of the
54 SAVINGS ASSOCIATION, do hereby adopt and for
55 that purpose do sign and acknowledge the foregoing bylaws as and
56 for the bylaws of the SAVINGS
57 ASSOCIATION, this day of, 19.....

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64 Subd. 2a. PREAPPROVED BYLAWS OF CAPITAL STOCK
65 ASSOCIATIONS. The following form of bylaws may be adopted and
66 used by any capital stock association without specific approval
67 of the commissioner. The bylaws may be amended and different
68 bylaws may be adopted with the approval of the commissioner.

69 (1) MEETING PROCEDURE. All meetings of the
70 stockholders and of the board of directors shall be conducted in
71 accordance with Robert's Rules of Order.

72 (2) ANNUAL MEETING OF STOCKHOLDERS. The annual
73 meeting of the stockholders of the association for the election
74 of directors and for the transaction of other business of the
75 association shall be held at its home office within 120 days
76 after the annual closing of the association's books in each

1 year. At each annual meeting, the officers shall make a report
2 of the financial condition of the association and of its
3 progress for the preceding year, and shall outline a program for
4 the succeeding year.

5 (3) SPECIAL MEETINGS OF STOCKHOLDERS. A special
6 meeting of the stockholders of the association may be called at
7 any time by the chairman chair of the board of directors, the *
8 president, or the board of directors, and shall be called by the
9 president, a vice president, or the secretary upon the written
10 request of stockholders of record holding, in the aggregate, at
11 least one-tenth of all the outstanding capital stock of the
12 association. The written requests shall state the purposes of
13 the meeting and shall be delivered at the home office of the
14 association addressed to the president.

15 (4) NOTICE OF MEETINGS OF STOCKHOLDERS. Written
16 notice of each annual and special meeting of stockholders
17 stating the place, day, and hour of the meeting, and if a
18 special meeting, the purpose or purposes for which it is called,
19 shall be delivered not less than 14 days before the date of the
20 meeting, either personally or by mail, to each stockholder of
21 record entitled to vote at the meeting. If mailed, the notice
22 shall be deemed to be delivered when deposited in the U.S. mail,
23 addressed to the stockholder at ~~his~~ the stockholder's address as *
24 it appears on the stock transfer books or records of the
25 association as of the record date with postage thereon prepaid.
26 A similar notice also shall be posted in a conspicuous place in
27 each of the offices of the association during the 14 days
28 immediately preceding the date on which the annual or special
29 meeting shall convene. When any stockholders' meeting, either
30 annual or special, is adjourned for 30 days or more, notice of
31 the adjourned meeting shall be given as in the case of an
32 original meeting. It shall not be necessary to give any notice
33 of the time and place of any meeting adjourned for less than 30
34 days or of the business to be transacted at the meeting, other
35 than an announcement at the meeting at which the adjournment is
36 taken.

37 (5) VOTING LISTS. The officer or agent having charge
38 of the stock transfer books for shares of the association shall
39 make at least 14 days before each meeting of the stockholders a
40 complete list of the stockholders entitled to vote at the
41 meeting, or any adjournment thereof, arranged in alphabetical
42 order, with the address of and the number of shares held by
43 each, which list shall be kept on file at the home office of the
44 association and shall be subject to inspection by any
45 stockholder at any time during usual business hours, for a
46 period of 14 days prior to the meeting. The list shall also be
47 produced and kept open at the time and place of the meeting and
48 shall be subject to the inspection of any stockholder during the
49 meeting. The original stock transfer book shall be evidence as
50 to who are the stockholders entitled to examine the list or
51 transfer books or to vote at any meeting of stockholders. In
52 lieu of making the stockholders' list available for inspection
53 by any stockholder as herein provided, the board of directors
54 may elect to follow the procedures prescribed in Section 14A-7
55 of the general regulations under the Securities Exchange Act of
56 1934 as may be duly requested in writing, with respect to any
57 matter which may be properly considered at a meeting of
58 stockholders, by any stockholder who is entitled to vote on the
59 matter and who shall defray the reasonable expenses to be
60 incurred by the association in the performance of the act or
61 acts required.

62 (6) DIRECTORS; NOMINATION. The number of the
63 directors of the association shall be (insert a number not less
64 than five nor more than 15). The board of directors shall be
65 elected on a staggered basis with no more than one-third of the
66 total number of directors authorized being elected in any one
67 year. The board of directors annually shall elect a chairman *
68 chair to preside at meetings of the board. On or before the *
69 30th day prior to the date of the annual meeting, the board of
70 directors shall appoint a nominating committee of at least three
71 directors of the association and the committee shall on or
72 before the 15th day prior to the date of the annual meeting,
73 nominate a qualified stockholder of the association to serve as
74 a director for each vacancy in the board of directors of the
75 association and to succeed each director whose term is expiring
76 at the annual meeting. The nominations shall be in writing,

1 signed by the members of the nominating committee, and shall be
2 filed with the secretary of the association. Any stockholder of
3 the association acting in ~~his-own~~ that capacity, ~~may~~ *
4 any qualified stockholder of the association for the office of
5 director to fill any vacancy in the board of directors or to
6 succeed each director whose term is expiring at the annual
7 meeting; if, the nomination is made in writing signed by the
8 stockholder, and filed with the secretary of the association and
9 with the commissioner at least 15 days before the meeting. The
10 written nomination by a stockholder acting in ~~his-own~~ that *
11 capacity shall contain the following information to the extent
12 known to the stockholder: (1) the name and address of the
13 nominee; (2) the major occupation of the nominee; (3) the total
14 number of votes that to the knowledge of the stockholder will be
15 voted for the nominee; (4) the name and residence address of the
16 stockholder; and (5) the number of votes which may be cast by
17 the stockholder. The names of all nominees nominated by the
18 nominating committee and by stockholders, as herein provided,
19 shall be printed, typed, or written upon ballots, which shall be
20 used in the election of directors at the annual meeting, and no
21 other nomination shall be considered at the meeting; provided,
22 that in the event no nomination has been made either by the
23 nominating committee or by a stockholder, as herein provided,
24 nominations may be made from the floor at the annual meeting.

25 (7) PROPOSAL OF NEW BUSINESS. Any new business to be
26 taken up at the annual meeting, including any proposal to
27 increase or decrease the number of directors of the association,
28 shall be stated in writing and filed with the secretary of the
29 association on or before the 20th day prior to the date of the
30 annual meeting, and all business so stated, proposed, and filed
31 shall be considered at the annual meeting, but no other
32 proposals shall be acted upon at the annual meeting. Any
33 stockholder may make any other proposal at the annual meeting
34 and the same may be discussed, but unless stated in writing and
35 filed with the secretary at least 20 days before the meeting,
36 the proposals shall be laid over for action at an adjourned,
37 special, or regular meeting taking place 30 days or more after
38 the annual meeting. This provision shall not prevent
39 consideration at the annual meeting of the reports of officers
40 and reports of committees. No new business shall be acted upon
41 at a special meeting except that which has been stated in the
42 published notice of the meeting as provided in paragraph 4 of
43 the bylaws.

44 (8) MEETINGS OF THE BOARD OF DIRECTORS. The board of
45 directors shall meet regularly without notice at least once each
46 month at the place, hour, and date fixed by resolution of the
47 board of directors. Special meetings of the board of directors
48 may be held and shall be called by the secretary upon the
49 written request of the ~~chairman~~ chair or of three directors. *
50 All special meetings shall be held upon at least three days'
51 written notice to each director unless notice be waived in
52 writing by each director before or after the meeting. The
53 notice shall state the place, time, and purposes of the
54 meeting. No notice need be given of any meeting at which every
55 director shall be present. A majority of the total number of
56 directors authorized shall constitute a quorum for the
57 transaction of business. The act of a majority of the directors
58 present at any meeting at which there is a quorum shall be the
59 act of the board of directors. The ~~chairman~~ chair of the board *
60 of directors shall preside at all meetings of the board of
61 directors, if present, and may exercise any and all powers and
62 perform any and all duties which the board of directors, by
63 resolution, confers ~~upon-him~~. *

64 (9) RESIGNATION AND REMOVAL OF DIRECTORS. Any
65 director may resign at any time by sending a written notice of
66 the resignation to the home office of the association addressed
67 to the secretary. Unless otherwise specified therein, the
68 resignation shall take effect upon receipt thereof by the
69 secretary. Any director may be removed for cause at any time by
70 the majority of all votes cast at any annual meeting of
71 stockholders, or at any special meeting of stockholders called
72 for that purpose. Any director, after an opportunity ~~afforded~~ *
73 ~~him~~ for being heard, may be removed for cause by a two-thirds *
74 majority vote of the total number of directors authorized, at
75 any regular meeting or at any special meeting called for that
76 purpose. More than three consecutive absences from regular

1 meetings of the board of directors, unless excused by resolution
2 of the board of directors, shall automatically constitute a
3 resignation, effective when the resignation is accepted by the
4 board of directors.

5 (10) DIRECTORS' FEES. The board of directors, by
6 resolution, may provide for reasonable fees to be paid to
7 directors for services as directors, which fees shall not
8 preclude any director from serving the association in any other
9 capacity and receiving compensation therefor.

10 (11) EXECUTIVE AND OTHER COMMITTEES. The president
11 with the approval of the board of directors may appoint an
12 executive committee of not less than three members of the board
13 which shall have all the powers of the board of directors
14 between meetings of the board. Actions taken by the executive
15 committee shall be disclosed to the board of directors at its
16 next regular or special meeting. There may be a loan policy
17 committee, and other committees the president may appoint and
18 empower with the approval of the board of directors.

19 (12) OFFICERS. The officers of the association shall
20 consist of a president to be chosen from among the directors,
21 one or more vice presidents, a secretary, a treasurer, and any
22 other officers authorized by the board of directors, and shall
23 be elected at the first meeting of the board of directors which
24 follows the annual meeting of stockholders and which shall be
25 held within 30 days after the annual meeting of stockholders.
26 The board of directors may authorize the appointment of
27 additional officers and employees as it may from time to time
28 determine. Any one person may hold any two offices, except that
29 during his tenure as president, the president may not hold the
30 office of secretary or treasurer. The term of office of all
31 officers shall be one year or until their respective successors
32 are elected and qualified, but any officer may be removed at any
33 time by the board of directors for or without cause. Officers
34 shall have the powers, duties, and authority generally
35 appropriate to the office held, subject to special provision
36 made by the board of directors at any time. The board of
37 directors from time to time shall determine the compensation of
38 the officers of the association.

39 (13) EXECUTION OF INSTRUMENTS. All contracts, notes,
40 drafts, acceptances, checks, endorsements, assignments,
41 releases, deeds, all evidences of indebtedness of the
42 association, and all documents, instruments, or writings of any
43 nature shall be signed, executed, verified, acknowledged, and
44 delivered by the officers, agents, or employees of the
45 association, or any one of them in a manner as from time to time
46 may be determined by resolution of the board of directors.
47 Proxies to vote with respect to securities or accounts owned by
48 the association may be executed and delivered from time to time
49 by the president, a vice president, the secretary or treasurer
50 of the association, or by any other person authorized by
51 resolution of the board of directors.

52 (14) STOCK CERTIFICATES AND THEIR TRANSFERS.
53 Certificates representing shares of capital stock of the
54 association shall be in a form determined by the board of
55 directors and approved by the commissioner. The certificates
56 shall be signed by the chief executive officer or by any other
57 officer of the association authorized by the board of directors,
58 attested by the secretary or an assistant secretary and sealed
59 with the corporate seal or a facsimile thereof. The signatures
60 of the officers upon a certificate may be facsimiles if the
61 certificate is manually signed on behalf of a transfer agent or
62 a registrar, other than the association itself or one of its
63 employees. Each certificate for shares of capital stock shall
64 be consecutively numbered or otherwise identified. The name and
65 address of the person to whom the shares are issued, with the
66 number of shares and date of issue, shall be entered on the
67 stock transfer books of the association. All certificates
68 surrendered to the association for transfer shall be cancelled
69 and no new certificate shall be issued until the former
70 certificate for a like number of shares shall have been
71 surrendered and cancelled, except that in case of a lost or
72 destroyed certificate, a new certificate may be issued therefor
73 upon the terms and indemnity to the association the board of
74 directors prescribes. Transfer of shares of capital stock of
75 the association shall be made only on its stock transfer books.
76 Authority for the transfer shall be given only by the holder of

1 record thereof or by ~~his~~ the holder's legal representative, who *
 2 shall furnish proper evidence of the authority, or by ~~his~~ the *
 3 holder's attorney thereunto authorized by power of attorney duly *
 4 executed and filed with the association. The transfer shall be
 5 made only on surrender for cancellation of the certificate for
 6 the shares. The person in whose name shares of capital stock
 7 stand on the books of the association shall be deemed by the
 8 association to be the owner thereof for all purposes.

9 (15) EVIDENCE OF SAVINGS ACCOUNT. The officers or
 10 employees as may be designated by the board of directors shall
 11 deliver to each person upon the initial credit to ~~his~~ that *
 12 person's savings account in the association an account book or *
 13 other suitable evidence of the account where the issuance of
 14 this evidence may be required.

15 (16) CORPORATE SEAL. The seal shall be two concentric
 16 circles between which shall be the name of the association. The
 17 year of incorporation and the name of this state shall, and an
 18 emblem may, appear in the center.

19 (17) FISCAL YEAR. The fiscal year shall end on the
 20 last day of any month at the option of the association.

21 (18) AMENDMENTS. With the approval of the
 22 commissioner, amendments of these bylaws may be made from time
 23 to time or different bylaws adopted by vote by the stockholders
 24 or by a two-thirds majority vote of the total number of
 25 directors authorized.

26 We, the undersigned, being the incorporators of the
 27 SAVINGS AND LOAN ASSOCIATION, do hereby adopt and for
 28 that purpose do sign and acknowledge the foregoing bylaws as and
 29 for the bylaws of the SAVINGS AND LOAN ASSOCIATION, this
 30 day of, 19... .

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37 No change for subd 3 to 4

051A#04S

38 51A.04 ORGANIZATION OF MUTUAL ASSOCIATIONS.

39 Subdivision 1. SELECTION OF CHAIRMAN CHAIR OF *
 40 INCORPORATORS; SAVINGS LIABILITY REQUIRED. The incorporators *
 41 of a mutual association shall appoint one of their number *
 42 as chairman chair of the incorporators. The incorporators, *
 43 before a certificate of incorporation is issued, shall pay in *
 44 cash to the chairman chair, as subscriptions to the savings *
 45 accounts of the proposed association, including that part of the *
 46 original subscription paid by the chairman chair, an aggregate *
 47 amount, not less than \$100,000; provided the commissioner may *
 48 ~~in-his-discretion~~, require a larger amount to be paid in. *
 49

50 Subd. 2. CHAIRMAN CHAIR OF INCORPORATORS TO PROCURE *
 51 SURETY BOND. The chairman chair of the incorporators shall *
 52 procure from a surety company or other surety acceptable to the *
 53 commissioner, a surety bond in form approved by the commissioner *
 54 in an amount at least equal to the amount subscribed by the *
 55 incorporators plus the expense fund. The bond shall name the *
 56 commissioner as obligee and shall be delivered to ~~him~~ the *
 57 commissioner. It shall assure the safekeeping of the funds *
 58 subscribed and their delivery to the association after the *
 59 issuance of the certificate of incorporation and after the *
 60 bonding of the officers. In the event of the failure to *
 61 complete organization, the bond shall assure the return of the *
 62 amounts collected to the respective subscribers or their *
 63 assigns, less reasonable expense which shall be deducted from
 64 the expense fund.

65 Subd. 3. EXPENSE FUND FOR INCORPORATION AND *
 66 ORGANIZATION. The incorporators, in addition to their *
 67 subscriptions to savings accounts, shall create an expense fund *
 68 in an amount not less than one-half of the minimum amount of *
 69 savings account subscriptions required to be paid in under *
 70 sections 51A.01 to 51A.57, from which expense fund the expense *
 71 of organizing the association and its operating expenses may be *
 72 paid until the time its net income is sufficient to pay the *
 73 earnings declared and paid or credited to its savings account *
 74 holders from sources available for payment of earnings. The *
 75 incorporators and others, before a certificate of incorporation *
 is issued, shall deposit to the credit of the chairman chair of *

1 the incorporators and others shall not constitute a liability of
2 the association except as hereinafter provided.

3 No change for subd 4 to 5

051A#041S

4 51A.041 ORGANIZATION OF CAPITAL STOCK ASSOCIATIONS.

5 Subdivision 1. SELECTION OF CHAIRMAN CHAIR OF *

6 INCORPORATORS; SURETY BOND REQUIRED; CAPITAL REQUIRED. The
7 incorporators of a capital stock association shall appoint one
8 of their number as chairman chair of the incorporators and the
9 chairman chair shall procure from a surety company or other
10 surety acceptable to the commissioner, a surety bond in an
11 amount at least equal to the amount of capital stock
12 contributions, plus the additional amounts described in
13 subdivision 2. The bond shall name the commissioner as obligee
14 and shall be delivered to him the commissioner. It shall assure
15 the safekeeping of the funds described; their delivery to the
16 association after the issuance of the certificate of
17 incorporation and after the bonding of the officers; and, in the
18 event of the failure to complete organization, the return of the
19 amounts collected to the respective subscribers or their
20 assigns, less reasonable expenses which shall be deducted from
21 the paid-in surplus. Before a certificate of incorporation is
22 issued, the capital of the association shall be paid in by
23 subscribers to the chairman chair in cash or authorized
24 securities and shall be the sum of the par or initially stated
25 value of all shares of voting capital stock. Each share of
26 capital stock shall entitle the holder thereof to one vote. The
27 minimum required capital shall be not less than \$500,000,
28 provided the commissioner may, in his discretion, require a
29 larger amount to be paid in. No portion of the capital stock
30 shall be withdrawn by any person or in any way, either in
31 dividends or otherwise, except as provided by law. No dividend
32 on capital stock shall be made except as provided in section
33 51A.21, subdivision 21. No commissions, fees, or other
34 remuneration shall be paid for the sale of shares of capital
35 stock, and no incentive stock shall be issued.

36 No change for subd 2 to 3

37 Subd. 4. ISSUANCE OF CAPITAL STOCK. As of the date
38 corporate existence begins, the association shall issue capital
39 stock as necessary to satisfy the minimum capital requirements
40 of this section and additional capital stock as may be approved
41 for issuance by its board of directors up to the amount
42 authorized in its certificate of incorporation, and thereafter
43 shall issue no other shares except as authorized in Laws 1981,
44 Chapter 276. Any capital stock of an association, when issued,
45 shall constitute permanent capital and shall not be retired or
46 withdrawn except as hereinafter provided until all liabilities
47 of the association have been satisfied in full, including the
48 withdrawal value of all savings accounts, and until outstanding
49 capital certificates have been retired. An association may
50 issue shares of common stock and preferred stock, with or
51 without par value, and the common and preferred stock may be
52 divided into classes and the classes into series. Capital stock
53 of an association shall be issued pursuant to the following
54 requirements:

55 (a) Except for stock issued pursuant to the incorporation
56 of the association, an employee stock option plan, or a plan of
57 merger, consolidation, conversion from a mutual to a stock
58 association, or other type of reorganization which has been
59 approved by the commissioner, the consideration for the issuance
60 of capital stock shall be paid in cash. The par value or stated
61 value of the stock shall be maintained as the permanent capital
62 of the association, and any additional amount paid in shall be
63 credited to paid-in surplus.

64 (b) The aggregate par value or stated value of all
65 outstanding shares of capital stock shall be the permanent
66 capital of the association, and except as otherwise specifically
67 provided by Laws 1981, Chapter 276 the capital stock shall not
68 be retired until final liquidation of the association. No
69 association shall reduce the par or stated value of its
70 outstanding capital stock without first obtaining the written
71 approval of the commissioner, and the approval shall be withheld
72 if the reduction will cause the par or stated value of
73 outstanding capital stock to be less than the minimum required
74 by Laws 1981, Chapter 276 or will result in less than adequate
75 net worth as the commissioner may, in his discretion *

1 determine. No association shall retire any part of its capital
2 stock unless the retirement is approved by the commissioner.
3 With the written approval of the commissioner, an association
4 may purchase its capital stock from the personal representative
5 of a deceased stockholder; and with the written approval, an
6 association may contract with a living stockholder for this
7 purpose upon the stockholder's death. Any purchase shall be for
8 the price, and upon the terms and conditions, agreed upon by the
9 association and the stockholder or personal representative;
10 provided, however, that the purchase shall not reduce the net
11 worth accounts of the association, or any of them, to an amount
12 less than required by applicable law or by any approved insurer
13 of the association's savings accounts. An association agreeing
14 with a stockholder to purchase that stockholder's capital stock
15 upon his the stockholder's death may purchase insurance upon the *
16 life of the stockholder to fund or partially fund the purchase.
17 Any stock purchased from a decedent's personal representative
18 may be resold by the association at the price, and upon the
19 terms and conditions, as the board of directors of the
20 association shall approve, or may be retired; provided, however,
21 that prior to the resale, notice shall be filed with the
22 commissioner disclosing the price, terms, and conditions of the
23 proposed resale.

24 No change for subd 5

051A#05S

25 51A.05 NAME; OFFICE; FORFEITURE OF CHARTER FOR NON-USE.

26 No change for subd 1

27 Subd. 2. EXCLUSIVENESS OF NAME. No person, firm,
28 company, association, fiduciary, partnership, or corporation,
29 either domestic or foreign, unless ~~he or it is~~ lawfully *
30 authorized to do business in this state under the provisions of *
31 sections 51A.01 to 51A.57 and actually ~~is~~ engaged in carrying on
32 a savings association business shall do business under any name
33 or title which contains the terms "savings association,"
34 "savings and loan association," "building and loan association,"
35 "building association," or any combination employing either or
36 both of the words "building" or "loan" with one or more of the
37 words "saving," "savings," or words of similar import, or any
38 combination employing one or more of the words "saving,"
39 "savings," or words of similar import with one or more of the
40 words "association," "institution," "society," "company,"
41 "fund," "corporation," or words of similar import, or use any
42 name or sign or circulate or use any letterhead, billhead,
43 circular or paper whatever, or advertise or represent in any
44 manner which indicates or reasonably implies that ~~his or its~~ the *
45 business is the character or kind of business carried on or
46 transacted by an association of which is likely to lead any
47 person to believe that ~~his or its~~ the business is that of an *
48 association. Upon application by the commissioner or any
49 association, a court of competent jurisdiction may issue an
50 injunction to restrain any such entity from violating or
51 continuing to violate any of the foregoing provisions of this
52 subdivision. Any person who violates any provision of this
53 subdivision shall be guilty of a gross misdemeanor. The
54 prohibitions of this subdivision shall not apply to any
55 corporation or association formed for the purpose of promoting
56 the interests of thrift institutions, the membership of which is
57 comprised of thrift institutions, their officers, or other
58 representatives.

59 No change for subd 3

60 Subd. 4. CHANGE OF NAME OR OFFICE. The name or the
61 location of the principal office of any association fixed in the
62 certificate of incorporation may be changed in the following
63 manner:

64 The proposed new name or the new location of the principal
65 office of the association shall be approved by a resolution
66 adopted by the board of directors. Immediately preceding
67 application to the commissioner for approval, notice of
68 intention to change the name or the location of the principal
69 office, signed by two officers, shall be published once a week
70 for two successive weeks in a newspaper of general circulation
71 in the county in which the principal office is located, and a
72 copy of such notice shall be displayed during such consecutive
73 two week period in a conspicuous public place in the principal
74 office of the association. Five copies of an application to the
75 commissioner for approval shall be signed by two officers of the

1 association, acknowledged before an officer competent to take
 2 acknowledgments of deeds, and filed with the commissioner. Upon
 3 approval of an application for change of name, the commissioner
 4 shall endorse on each copy of the application therefor a
 5 certificate of approval thereof, and the change of name of such
 6 association shall be effective immediately. Whenever the
 7 commissioner shall receive from any association an application
 8 for change of location of its principal office, ~~he~~ the *
 9 commissioner shall make a determination based upon the criteria *
 10 set out in section 51A.03, subdivision 3 in the case of
 11 establishment of a newly chartered association and, may hold a *
 12 hearing as provided for in that section. Upon ~~his~~ approval of
 13 such application, the commissioner shall endorse on each copy of
 14 such application a certificate of approval, as provided in
 15 sections 51A.01 to 51A.57. When the commissioner shall have
 16 endorsed such approval upon the copies of an application for
 17 approval of change of name or change of location of principal
 18 office, ~~he~~ the commissioner shall file one copy thereof with the *
 19 secretary of state, two copies with the federal home loan bank
 20 of which the association is a member, return one copy to the
 21 applicant association, and retain the original copy in the
 22 permanent files of ~~his~~ the commissioner's office. *

23 No change for subd 5

051A#065S

24 51A.065 MUTUAL AND CAPITAL STOCK CONVERSIONS.

25 No change for subd 1 to 4

26 Subd. 5. PLAN OF CONVERSION; MUTUAL TO CAPITAL STOCK.

27 In any plan of conversion from mutual form of organization to
 28 capital stock form, the following requirements are mandatory:

29 (a) Each savings account holder shall receive without
 30 payment a withdrawable account of the same general class in the
 31 converted institution equal in amount and equal in time tenure
 32 to ~~his~~ that person's withdrawable account in the converting *
 33 institution.

34 (b) All voting capital stock issued by an association to
 35 accomplish the conversion shall be subscribed and fully paid for
 36 and shall not be eligible either directly or indirectly as
 37 security for a loan or other credit advance to facilitate its
 38 own purchase and each account holder shall receive without
 39 payment nontransferable rights for a period of at least 20 days
 40 to purchase a proportionate share of voting capital stock at a
 41 price equal to the initial stated value thereof. Thereafter,
 42 any stock remaining unsubscribed may be offered for sale to
 43 others, provided the offering shall be sold in a public offering
 44 through an underwriter or if directly by the converting
 45 association in a direct community marketing program as provided
 46 for in the plan for conversion approved by the commissioner or
 47 other responsible authority, except that no officer, director,
 48 employee, or spouse thereof shall be entitled to purchase any
 49 stock if the purchase would result in ownership of more than one
 50 percent of the total offering of capital stock, nor shall these
 51 persons in the aggregate be entitled to purchase any stock if
 52 the purchase would result in ownership of more than 15 percent
 53 thereof. Any stock purchased by an officer, director, or
 54 employee of the converting institution, or any of their spouses,
 55 in connection with a conversion hereunder shall not, for a
 56 period of two years following the date of issuance of the
 57 certificate of conversion, be subject to inter vivos sale,
 58 pledge, assignment, hypothecation, transfer, any agreement to
 59 sell or otherwise alienate in the future, or any other form of
 60 alienation.

61 (c) The record date for determining savings account
 62 holders' rights to distribution under paragraph (b) shall be set
 63 by the converting institution's board of directors, but the date
 64 shall be not less than 90 days prior to the date of approval of
 65 the conversion plan by the directors.

66 (d) The proportionate share of voting capital stock
 67 subscription rights of each savings account holder of record
 68 shall be a fraction, the numerator of which is the total savings
 69 account balance of the account holder and the denominator of
 70 which is the total savings liability of the converting
 71 institution as of the record date determined in accordance with
 72 paragraph (c). Fractional shares need not be issued but
 73 subscription rights representing less than the initial stated
 74 value per share shall be issued and may be combined to authorize
 75 the subscription of one or more shares of stock.

1 (e) The plan shall demonstrate with particularity the
2 substantial business benefit to the applicant that will result
3 from the conversion.

4 (f) The plan shall provide that the conversion will not
5 result in any insurance of accounts being canceled by the
6 insuring agency, and will not result in a taxable reorganization
7 under federal law.

8 (g) The plan shall provide for the election of directors on
9 a staggered term basis.

10 (h) The plan shall contain other provisions, requirements
11 or information and be in a form acceptable to the commissioner
12 or other appropriate supervisory authority to enable a
13 determination that substantial business benefit to the applicant
14 will result from the conversion; that the plan is fair and
15 equitable; that the interests of the applicant, its members or
16 shareholders, its savings account holders and the public are
17 adequately protected; and that the converting applicant has
18 complied with the requirements of this section.

19 Subd. 6. PLAN OF CONVERSION; CAPITAL STOCK TO MUTUAL.

20 In any plan of conversion from capital stock form of
21 organization to mutual form, the following requirements are
22 mandatory:

23 (a) Each savings account holder shall receive without
24 payment a withdrawable account of the same general class in the
25 converted institution equal in amount and equal in time tenure
26 to ~~his~~ that person's withdrawable account in the converting
27 capital stock institution. *

28 (b) The plan shall specify how and in what amount the
29 return of capital to each class of stockholder in the form of an
30 exchange of stock for savings accounts shall be effectuated.

31 (c) The plan shall provide for allocation of voting rights
32 to the holders of savings accounts and the manner of exercise
33 thereof.

34 (d) The requirements of subdivision 5, clauses (e), (f),
35 (g) and (h).

36 Subd. 7. PLAN OF CONVERSION; MUTUAL TO MUTUAL OR STOCK
37 TO STOCK. In any conversion of a state association to a
38 federally chartered association of like corporate form, or vice
39 versa, the following requirements are mandatory:

40 (a) Each savings account holder shall receive a
41 withdrawable account of the same general class in the converted
42 institution equal in amount and equal in time tenure to ~~his~~ that
43 person's withdrawable account in the converted institution. *

44 (b) Each savings account holder with voting rights or
45 capital stockholder with voting rights, as the case may be,
46 shall, to the extent permitted by law applicable to the
47 converted institution, receive substantially identical voting
48 rights in the converted institution.

49 (c) The requirements of subdivision 5, clauses (e), (f),
50 (g) and (h).

51 No change for subd 8 to 10

051A#08S

52 51A.08 DISSOLUTION.

53 Subdivision 1. NOTICE AND VOTE. Any association, by
54 a vote of three-fourths of its members or stockholders eligible
55 to vote at any regular meeting of its members or stockholders or
56 at any special meeting called for that purpose, of which regular
57 or special meeting at least ten days' written notice, specifying
58 the matter to be considered under this section, shall have been
59 mailed to each member or stockholder at ~~his~~ that person's last
60 recorded address, may, with the approval of the commissioner,
61 voluntarily go into liquidation. *

62 Subd. 2. CERTIFICATE OF DISSOLUTION. Upon the vote,
63 five copies of a certificate of dissolution, which shall state
64 the vote cast in favor of dissolution, shall be signed by two
65 officers and acknowledged before an officer competent to take
66 acknowledgments of deeds. Five copies of the certificate shall
67 be filed with the commissioner, who shall examine the
68 association, and if ~~he~~ the commissioner finds that it is not in
69 an impaired condition, shall so note, together with ~~his~~ approval
70 of the dissolution, upon all the copies of the certificate of
71 dissolution. The commissioner shall place a copy in the
72 permanent files of ~~his~~ the commissioner's office, file a copy
73 with the secretary of state, and return the remaining copies to
74 the parties filing the same. Notice of commissioner's approval
75 shall be mailed to each member or stockholder and shall be *

1 published at least once in a qualified legal newspaper published
2 at the principal place of business of the association.

3 No change for subd 3 to 4

4 Subd. 5. ASSOCIATION SUBJECT TO COMMISSIONER DURING
5 LIQUIDATION. The association, during the liquidation of the
6 assets of the association by the board of directors, shall
7 continue to be subject to the supervision of the commissioner,
8 and the board of directors shall report the progress of the
9 liquidation to the commissioner from time to time as ~~he~~ the
10 commissioner may require. Upon completion of liquidation, the
11 board of directors shall file with the commissioner a final
12 report and accounting of the liquidation. The approval of the
13 report by the commissioner shall operate as a complete and final
14 discharge of the board of directors and each member or
15 stockholder thereof in connection with the liquidation of the
16 association. No dissolution or any action of the board of
17 directors in connection therewith shall impair any contract
18 right between the association and any borrower or other person
19 or persons or the vested rights of any member or stockholder of
20 the association.

051A#09S

21 51A.09 MEETINGS OF MEMBERS OF MUTUAL ASSOCIATIONS.

22 No change for subd 1 to 3

23 Subd. 4. VOTING BY PROXY. At any meeting of the
24 members, voting may be in person or by proxy, provided that no
25 proxy shall be eligible to be voted at any meeting unless the
26 proxy shall have been filed with the secretary of the
27 association, for verification, at least five days prior to the
28 date of the meeting. Every proxy shall be in writing and signed
29 by the member or ~~his~~ a duly authorized attorney-in-fact and,
30 when filed with the secretary, shall, unless otherwise specified
31 in the proxy, continue in force from year to year until revoked
32 by a writing duly delivered to the secretary or until superseded
33 by subsequent proxies.

34 No change for subd 5

051A#091S

35 51A.091 STOCKHOLDERS OF STOCK ASSOCIATIONS.

36 No change for subd 1 to 2

37 Subd. 3. VOTING RIGHTS. In the determination of all
38 questions requiring action by the stockholders, each stockholder
39 shall be entitled to cast one vote, for each share of voting
40 stock recorded in ~~his~~ the stockholder's name on the books of the
41 association on the record date fixed as provided in this
42 section. At each election for directors every stockholder
43 entitled to vote at the election shall have the right to vote
44 the number of shares owned ~~by him~~ for as many persons as there
45 are directors to be elected and for whose election ~~he~~ the
46 stockholder has a right to vote or to cumulate ~~his~~ votes by
47 giving one candidate as many votes as the number of the
48 directors to be elected multiplied by the number of ~~his~~ the
49 stockholder's shares shall equal, or by distributing the votes
50 on the same principle among any number of candidates.

51 Subd. 4. VOTING BY PROXY. At any meeting of the
52 stockholders, voting may be in person or by proxy. Every proxy
53 shall be in writing and signed by the stockholder or ~~his~~ a duly
54 authorized attorney-in-fact and, when filed with the secretary,
55 shall be valid for the specific meeting it is issued for unless
56 revoked by a writing duly delivered to the secretary or until
57 superseded by subsequent proxies.

58 No change for subd 5

051A#11S

59 51A.11 ACCESS TO BOOKS AND RECORDS; COMMUNICATION WITH
60 MEMBERS OR STOCKHOLDERS.

61 Subdivision 1. EXCLUSIVENESS OF ACCESS. Every member
62 or stockholder shall have the right to inspect books and records
63 of an association that pertain to ~~his~~ that person's loan or
64 savings account or the determination of ~~his~~ that person's voting
65 rights. Otherwise, the right of inspection and examination of
66 the books and records shall be limited (1) to the commissioner
67 or ~~his~~ duly authorized representatives as provided in sections
68 51A.01 to 51A.57, (2) to persons duly authorized to act for the
69 association, and (3) to any federal or state instrumentality or
70 agency authorized to inspect or examine the books and records of
71 an insured association. The books and records pertaining to the
72 accounts and loans of members or stockholders shall be kept
73 confidential by the association, its directors, officers, and

1 employees, and by the commissioner, ~~his~~ the commissioner's *
 2 examiners and representatives, except where the disclosure
 3 thereof shall be compelled by a court of competent jurisdiction,
 4 and no member or stockholder or any other person shall have
 5 access to the books and records or shall be furnished or shall
 6 possess a partial or complete list of the members or
 7 stockholders except upon express action and authority of the
 8 board of directors.

9 Subd. 2. COMMUNICATION WITH MEMBERS OR STOCKHOLDERS.

10 In the event, however, that any member, members, stockholder, or
 11 stockholders desires to communicate with the other members or
 12 stockholders of the association with reference to any question
 13 pending or to be presented for consideration at a meeting of the
 14 members or stockholders, the association shall furnish upon
 15 request a statement of the approximate number of members or
 16 stockholders of the association at the time of the request, and
 17 an estimate of the cost of forwarding the communication. The
 18 requesting member, members, stockholder, or stockholders shall
 19 then submit the communication, together with a sworn statement
 20 that the proposed communication is not for any reason other than
 21 the business welfare of the association, to the commissioner
 22 who, if ~~he~~ the commissioner finds it to be appropriate, *
 23 truthful, and in the best interests of the association and its
 24 members or stockholders, shall execute a certificate setting out
 25 the findings, forward the certificate together with the
 26 communication to the association, and direct that the
 27 communication be prepared and mailed by the association to the
 28 members or stockholders upon the requesting member's, members',
 29 stockholder's, or stockholders' payment to it of the expenses of
 30 the preparation and mailing. If the commissioner finds the
 31 proposed communication to be inappropriate, untruthful, or
 32 contrary to the best interests of the association and its
 33 members or stockholders, ~~he~~ the commissioner shall have the *
 34 discretion to make any disposition of the request to communicate
 35 which ~~he~~ the commissioner deems proper and ~~he~~ shall execute a *
 36 certificate setting out the finding and deliver it to the
 37 requesting member or stockholder together with ~~his~~ an order *
 38 making disposition of the request.

39 No change for subd 3

051A#13S

40 51A.13 DIRECTORS.

41 No change for subd 1

42 Subd. 2. QUALIFICATIONS REQUIRED OF DIRECTORS OF MUTUAL
 43 ASSOCIATIONS. Except with the written consent of the
 44 commissioner, no member shall be eligible for election or shall
 45 serve as a director or officer of an association who has been
 46 adjudicated a bankrupt or convicted of a criminal offense
 47 involving dishonesty or a breach of trust. A director shall
 48 automatically cease to be a director ~~when-he-ceases~~ on ceasing *
 49 to be a member, ~~or-when-he-is~~ on being adjudicated a bankrupt,
 50 or ~~is~~ on being convicted of a criminal offense as herein *
 51 provided, but no action of the board of directors shall be
 52 invalidated through the participation of the director in the
 53 action. However, if a director becomes ineligible under the
 54 terms of this subdivision by reason of the exercise by the
 55 association of the right of redemption of savings accounts
 56 provided for in section 51A.34, ~~he~~ the director shall remain *
 57 validly in office until the expiration of ~~his~~ the term of office *
 58 or until ~~he~~ the director otherwise becomes ineligible, resigns, *
 59 or is removed, whichever may occur first.

60 Subd. 2a. QUALIFICATIONS REQUIRED OF DIRECTORS OF STOCK
 61 ASSOCIATIONS. Except with the written consent of the
 62 commissioner, no person shall be eligible for election or shall
 63 serve as director or officer of an association who has been
 64 adjudicated a bankrupt or convicted of a criminal offense
 65 involving dishonesty or a breach of trust. A director shall
 66 automatically cease to be a director when ~~he-is~~ adjudicated a *
 67 bankrupt or ~~is~~ convicted of a criminal offense as herein *
 68 provided.

69 No change for subd 3 to 7

051A#14S

70 51A.14 INDEMNITY BONDS.

71 All directors, officers, and employees of an association
 72 shall, before entering upon the performance of any of their
 73 duties, execute their individual bonds with adequate corporate
 74 surety payable to the association as an indemnity for any loss

1 the association may sustain of money or other property by or
 2 through any fraud, dishonesty, forgery or alteration, larceny,
 3 theft, embezzlement, robbery, burglary, holdup, wrongful or
 4 unlawful abstraction, misapplication, misplacement, destruction
 5 or misappropriation, or any other dishonest or criminal act or
 6 omission by any such director, officer, employee, or agent.
 7 Associations which employ collection agents, who for any reason
 8 are not covered by a bond as hereinabove required, shall provide
 9 for the bonding of each such agent in an amount equal to at
 10 least twice the average monthly collection of such agent. Such
 11 agents shall be required to make settlement with the association
 12 at least monthly. No bond coverage will be required of any
 13 agent which is a financial institution insured by the federal
 14 deposit insurance corporation or by the federal savings and loan
 15 insurance corporation. The amounts and form of such bonds and
 16 sufficiency of the surety thereon shall be approved by the board
 17 of directors and by the commissioner. In lieu of individual
 18 bonds, a blanket bond, protecting the association from loss
 19 through any such act or acts on the part of any such director,
 20 officer, or employee, may be obtained. Such bonds shall provide
 21 that a cancellation thereof either by the surety or by the
 22 insured shall not become effective unless and until ten days'
 23 notice in writing first shall have been given to the
 24 commissioner unless he the commissioner shall have approved such
 25 cancellation earlier.

*

051A#15S

26 51A.15 TRANSACTIONS OF OFFICERS AND DIRECTORS.
 27 Subdivision 1. FIDUCIARY RELATIONSHIPS. Directors
 28 and officers occupy a fiduciary relationship to the association
 29 of which they are directors or officers, and no director or
 30 officer shall engage or participate, directly or indirectly, in
 31 any business or transaction conducted on behalf of or involving
 32 the association, which would result in a conflict of his-own
 33 personal interests with those of the association which he that
 34 person serves, unless such business or transactions are
 35 conducted in good faith and are honest, fair, and reasonable to
 36 the association; a full disclosure of such business or
 37 transactions and the nature of the director's or officer's
 38 interest is made to the board of directors; such business or
 39 transactions are approved in good faith by the board of
 40 directors, any interested director abstaining, and such approval
 41 is recorded in the minutes; any profits inuring to the officer
 42 or director are not at the expense of the association and do not
 43 prejudice the best interests of the association in any way; and
 44 such business or transaction does not represent a breach of the
 45 officer's or director's fiduciary duty and is not fraudulent,
 46 illegal, or ultra vires; and without limitation by any of the
 47 specific provisions of any of the subdivisions hereof, the
 48 commissioner may require the disclosure by directors, officers,
 49 and employees of their personal interest directly or indirectly
 50 in any business or transactions on behalf of or involving the
 51 association and of their control of or active participation in
 52 enterprises having activities related to the business of the
 53 association. The following restrictions governing the conduct
 54 of directors and officers expressly are specified, but such
 55 specification is not to be construed in any manner as excusing
 56 such persons from the observance of any other aspect of the
 57 general fiduciary duty owed by them to the association which
 58 they serve.

*
*
*

59 No change for subd 2 to 6

60 Subd. 7. VOTING RIGHTS; OFFICE. No officer or
 61 director acting as proxy for a member or stockholder of an
 62 association shall exercise, transfer, or delegate the vote or
 63 votes in any consideration of a private benefit or advantage,
 64 direct or indirect, accruing to himself that person, nor shall
 65 he surrender control or pass his that person's office to any
 66 other for any consideration of a private benefit or advantage,
 67 direct or indirect. The voting rights of members, stockholders,
 68 and directors shall not be the subject of sale, barter,
 69 exchange, or similar transaction, either directly or
 70 indirectly. Any officer or director who violates the provisions
 71 of this section shall be held accountable to the association for
 72 any increment.

*
*

73 No change for subd 8 to 9

051A#17S

74 51A.17 INDEMNIFICATION OF OFFICERS, DIRECTORS AND

1 EMPLOYEES.

2 Any person shall be indemnified or reimbursed by the
 3 association for reasonable expenses, including but not limited
 4 to attorney fees, actually incurred ~~by him~~ in connection with *
 5 any action, suit, or proceeding, instituted or threatened,
 6 judicial or administrative, civil or criminal, to which ~~he~~ that *
 7 person is made a party by reason of ~~his~~ being or having been a *
 8 director, officer, or employee of an association; provided,
 9 however, that no person shall be so indemnified or reimbursed,
 10 nor shall ~~he~~ that person retain any advancement or allowance for *
 11 indemnification which may have been made by the association in
 12 advance of final disposition, in relation to such action, suit,
 13 or proceeding in which and to the extent that ~~he~~ the person *
 14 finally shall be adjudicated to have been guilty of a breach of
 15 good faith, to have been negligent in the performance of ~~his~~ *
 16 duties, or to have committed an action or failed to perform a
 17 duty for which there is a common law or a statutory liability;
 18 and provided further, that a person may, with the approval of
 19 the commissioner, be so indemnified or reimbursed for (1)
 20 amounts paid in compromise or settlement of any action, suit, or
 21 proceeding, including reasonable expenses incurred in connection
 22 therewith, or (2) reasonable expenses including fines and
 23 penalties incurred in connection with a criminal or civil
 24 action, suit, or proceeding in which such person has been
 25 adjudicated guilty, negligent, or liable if it shall be
 26 determined by the board of directors and by the commissioner
 27 that such person was acting in good faith and in what ~~he~~ that *
 28 person believed to be the best interests of the association and *
 29 without knowledge that the action was illegal and if such
 30 indemnification or reimbursement is approved at an annual or
 31 special meeting of the members by a majority of the votes
 32 eligible to be cast. Amounts paid to the association, whether
 33 pursuant to judgment or settlement by any person within the
 34 meaning of this section shall not be indemnified or reimbursed
 35 in any case.

051A#19S

36 51A.19 RECORDS.

37 No change for subd 1 to 7

38 Subd. 8. APPRAISAL OF REAL ESTATE OWNED AND THAT
 39 SECURING DELINQUENT LOANS. Every association shall have
 40 appraised each parcel of real estate at the time of acquisition
 41 thereof. The report of each such appraisal shall be submitted
 42 in writing to the board of directors and shall be kept in the
 43 records of the association. In addition to ~~his~~ the powers under *
 44 section 51A.44, subdivision 6, the commissioner may require the
 45 appraisal of real estate securing loans which are delinquent
 46 more than four months.

47 No change for subd 9

48 Subd. 10. MAINTENANCE OF MEMBERSHIP RECORDS. Every
 49 association shall maintain membership records, which shall show
 50 the name and address of the member, the status of the member as
 51 a savings account holder, or an obligor, or a savings account
 52 holder and obligor, and the date of membership thereof. In the
 53 case of members holding a savings account the association shall
 54 obtain a savings account contract containing the signature of
 55 each holder of such account or ~~his~~ a duly authorized *
 56 representative, and shall preserve such contract in the records
 57 of the association.

58 No change for subd 11 to 13

051A#20S

59 51A.20 RESERVE ACCOUNTS; SURPLUS AND UNDIVIDED PROFITS.

60 Subdivision 1. MUTUAL ASSOCIATIONS. Every
 61 association shall set up and maintain the reserves required by,
 62 and may set up and maintain additional reserves permitted by,
 63 sections 51A.01 to 51A.57. On or before the closing date of
 64 each accounting period, after payment of or provision for all
 65 expenses, each association shall transfer to a separate reserve
 66 account, which shall be set up and maintained for the sole
 67 purpose of absorbing losses (termed in sections 51A.01 to 51A.57
 68 "general reserve"), an amount equal to at least ten percent of
 69 its net income or, in the case of an association which at the
 70 close of the period has assets in excess of \$20 million or which
 71 has done business as a savings association in this state for
 72 more than 20 years, the greater of ten percent of its net income
 73 or an amount equal to the difference between four percent of its
 74 assets, excluding liquid assets, at the end of the period and

1 the amount of its general reserve at the beginning of the
 2 period, until the general reserve is equal to at least ten
 3 percent of the savings liability. Upon advance written
 4 application of an association, the commissioner, ~~acting in his~~
 5 ~~sole discretion, may~~ has sole discretionary authority to approve
 6 the transfer to the general reserve of a lesser amount for the
 7 period; provided, that the reduction shall not be greater than
 8 that of federal regulations. In the event that any credit to
 9 the general reserve is made following July 1, 1969, in excess of
 10 the minimum requirement, the dollar amount of any excess may be
 11 carried over as a credit toward the minimum requirement of any
 12 subsequent period. If and whenever the general reserve is not
 13 equal to at least ten percent of its savings liability, credits,
 14 as above provided, shall again be made to the general reserve
 15 until it shall again be equal to at least ten percent of its
 16 savings liability. The board of directors may make additional
 17 transfers to surplus or other reserve accounts. Interest
 18 receivable on all loans shall be accrued monthly and an
 19 evaluation account shall be maintained equivalent to all accrued
 20 and uncollected interest. On or before each closing date, after
 21 payment or provision for all expenses and appropriate transfers
 22 to reserves, the remainder of net income for the period shall be
 23 credited to the undivided profits account.

24 No change for subd 2

051A#21S

25 51A.21 POWERS OF ASSOCIATION.

26 No change for subd 1 to 4

27 Subd. 5. BORROWING. If and when an association is
 28 not a member of a federal home loan bank, to borrow from
 29 sources, individual or corporate, not more than an aggregate
 30 amount equal to one-fourth of its savings liability on the date
 31 of borrowing and additional sums the commissioner approves. If
 32 and when an association is a member of a federal home loan bank,
 33 to secure advances of not more than an aggregate amount equal to
 34 one-half of its savings liability; within the amount equal to
 35 one-half of its savings liability, the association may borrow
 36 from sources, individual or corporate other than the federal
 37 home loan bank, an aggregate amount not in excess of 20 percent
 38 of its savings liability. The advance written approval of the
 39 commissioner, who has sole discretionary authority to grant or
 40 withhold such approval, is required for sources of borrowing
 41 other than financial institutions or federal home loan
 42 banks ~~shall require advance written approval of the~~
 43 ~~commissioner, acting in his sole discretion.~~ A subsequent
 44 reduction of savings liability shall not affect in any way
 45 outstanding obligations for borrowed money. All loans and
 46 advances may be secured by property of the association, and may
 47 be evidenced by notes, bonds, debentures, or other obligations
 48 or securities, (except capital stock and capital certificates)
 49 the commissioner authorizes for all associations; provided, that
 50 authorization by the commissioner shall not be required in the
 51 case of securities guaranteed pursuant to Section 306(g) of the
 52 National Housing Act of 1934, as amended.

53 No change for subd 6 to 12

54 Subd. 13. FISCAL AGENT. If and when an association
 55 is a member of a federal home loan bank, to act as fiscal agent
 56 of the United States, and, when so designated by the secretary
 57 of the treasury, to perform, under such regulations as ~~he~~ the
 58 secretary may prescribe, all such reasonable duties as fiscal
 59 agent of the United States as ~~he~~ the secretary may require; and
 60 to act as agent for any instrumentality of the United States and
 61 as agent of this state or any instrumentality thereof.

62 No change for subd 14 to 21

051A#22S

63 51A.22 SAVINGS LIABILITY.

64 Subdivision 1. OPERATION OF SAVINGS LIABILITY. The
 65 savings liability of an association shall consist only of the
 66 aggregate amount of savings accounts, plus earnings credited to
 67 the accounts, less redemption and withdrawal payments. Except
 68 as limited by the board of directors from time to time, ~~an~~
 69 ~~account holder may make~~ additions may be made to his an account
 70 holder's savings accounts in the amounts and at times he the
 71 account holder elects. Savings accounts may be opened for cash
 72 or property in which the association is authorized to invest,
 73 and, in the absence of fraud in the transaction, the value of
 74 the property taken in payment therefor as determined by the

1 board of directors shall be conclusive. The account holders of
 2 an association shall not be responsible for any losses which its
 3 savings liability shall not be sufficient to satisfy, and
 4 savings accounts shall not be subject to assessment, nor shall
 5 the holders thereof be liable for any unpaid installments on
 6 their accounts. Earnings shall be declared in accordance with
 7 the provisions of sections 51A.01 to 51A.57. Except as provided
 8 in section 51A.32, no association shall prefer one of its
 9 savings accounts over any other savings account as to the right
 10 to participate in earnings. No preference between savings
 11 account holders shall be created with respect to the
 12 distribution of assets upon voluntary liquidation, dissolution,
 13 or winding up of an association. No association shall issue,
 14 sell, negotiate, or advertise for issuance or sale to savings
 15 account holders any type of savings or investment media other
 16 than savings accounts, nor shall it contract with respect to the
 17 savings liability in a manner inconsistent with the provisions
 18 of sections 51A.01 to 51A.57.

19 No change for subd 2

051A#23S

20 51A.23 SAVINGS ACCOUNT.

21 Subdivision 1. OWNERSHIP. Savings accounts may be
 22 opened and held solely and absolutely ~~in his own right~~ by, or in *
 23 trust or other fiduciary capacity for, any person, including an
 24 adult or minor individual, male or female, single or married,
 25 partnership, association, fiduciary, or corporation. Savings
 26 accounts shall be represented only by the account of each
 27 savings account holder on the books of the association, and such
 28 accounts or any interest therein shall be transferable only on
 29 the books of the association and upon proper written application
 30 by the transferee and upon acceptance by the association of the
 31 transferee as a member upon terms approved by the board of
 32 directors. The association may treat the holder of record of a
 33 savings account as the owner thereof for all purposes without
 34 being affected by any notice to the contrary unless the
 35 association has acknowledged in writing notice of a pledge of
 36 such savings account.

37 An association may issue savings accounts to or in the name
 38 of a minor, which shall be held for the exclusive right and
 39 benefit of the minor, free from the control or lien of all other
 40 persons, except creditors, and, together with dividends thereon,
 41 shall be paid to ~~him~~ the minor, and ~~his~~ receipt or acquittance *
 42 in any form, shall be sufficient release and discharge of the
 43 association for withdrawal, until a guardian appointed in this
 44 state for the minor shall have delivered a certificate of ~~his~~ *
 45 appointment.

46 No change for subd 2 to 3

47 Subd. 4. DUPLICATE ACCOUNT BOOKS AND CERTIFICATES.

48 Upon the filing with an association by the holder of record as
 49 shown by the books of the association, or by ~~his~~ the holder's *
 50 legal representative, of an affidavit to the effect that the
 51 account book or certificate evidencing ~~his~~ the holder's savings *
 52 account with the association has been lost or destroyed, and
 53 that such account book or certificate has not been pledged or
 54 assigned in whole or in part, such association shall issue a new
 55 account book or certificate in the name of the holder of record,
 56 such evidence stating that it is issued in lieu of the one lost
 57 or destroyed, and the association shall in no way be liable
 58 thereafter on account of the original account book or
 59 certificate, provided that the board of directors shall, if in
 60 its judgment it is necessary, require a bond in an amount it
 61 deems sufficient to indemnify the association against any loss
 62 which might result from the issuance of such new account book or
 63 certificate.

64 No change for subd 5 to 7

051A#251S

65 51A.251 MARRIED PERSONS AND MINORS.

66 An association and any federal association may issue
 67 savings accounts or negotiable order of withdrawal accounts to
 68 any married person or minor as the sole and absolute owner of
 69 the account, and receive payments thereon by or for the other,
 70 and pay withdrawals or drafts, accept pledges to the
 71 association, and act in any other manner with respect to the
 72 accounts on the order of the married person or minor. Any
 73 payment or delivery of rights to a married person or to any
 74 minor, or a receipt of or acquisition signed by a married person

1 or by a minor who holds an account, shall be a valid and
 2 sufficient release and discharge of the association for any
 3 payment so made or delivery of rights to the married person or
 4 minor. In the case of a minor, the receipt, acquittance, pledge
 5 or other action required by the association to be taken by the
 6 minor shall be binding upon the minor as if ~~he~~ the minor were of *
 7 full age and legal capacity. The parent or guardian of the *
 8 minor shall not in ~~his~~ the capacity as parent or guardian have
 9 the power to attach or in any manner to transfer any account
 10 issued to or in the name of the minor; provided, however, that
 11 in the event of the death of the minor the receipt or
 12 acquittance of either parent or of a person standing in loco
 13 parentis to the minor shall be a valid and sufficient discharge
 14 of the association for any sum or sums not exceeding in the
 15 aggregate \$2,500 unless the minor shall have given written
 16 notice to the association to accept the signature of the parent
 17 or person.

051A#29S

18 51A.29 ACCOUNTS OF INCOMPETENTS.

19 When a savings account is held in any association or
 20 federal association by a person who becomes incompetent and an
 21 adjudication of incompetency has been made by a court of
 22 competent jurisdiction, such an association may pay or deliver
 23 the withdrawal value of such savings account and any earnings
 24 that may have accrued thereon to the guardian for such person
 25 upon proof of ~~his~~ appointment and qualification; provided that *
 26 if such association has received no written notice and is not on
 27 actual notice that such savings account holder has been
 28 adjudicated incompetent, it may pay or deliver such funds to
 29 such holder in accordance with the provisions of the savings
 30 account contract, and the receipt or acquittance of such holder
 31 therefor shall be a valid and sufficient release and discharge
 32 of the association for the payment or delivery so made.

051A#30S

33 51A.30 ACCOUNTS OF DECEASED NONRESIDENTS.

34 When a savings account is held in any association or
 35 federal association by a person residing in another state or
 36 country, the account, together with additions thereto and
 37 earnings thereon, or any part thereof, shall be exempt from any
 38 taxation otherwise imposed by this state and may be paid to the
 39 administrator or executor appointed in the state or country
 40 where the account holder resided at the time of death provided
 41 such administrator or executor has furnished the association
 42 with (1) authenticated copies of ~~his~~ the letters and of the *
 43 order of the court which issued the letters ~~to him~~ to that person authorizing *
 44 him that person to collect, receive, and remove the personal *
 45 estate, and (2) an affidavit by the administrator or executor
 46 that to ~~his~~ that person's knowledge no letters then are *
 47 outstanding in this state and no petition for letters by an
 48 heir, legatee, devisee, or creditor of the decedent is pending
 49 on the estate in this state, and that there are no creditors of
 50 the estate in this state. Upon payment or delivery to such
 51 representative after receipt of the affidavit and authenticated
 52 copies, the association is released and discharged to the same
 53 extent as if the payment or delivery had been made to a legally
 54 qualified resident executor or administrator, and is not
 55 required to see to the application or disposition of the
 56 property. No action at law or in equity shall be maintained
 57 against the association for payment made in accordance with this
 58 section.

051A#32S

59 51A.32 EARNINGS.

60 An association may pay earnings on its savings accounts
 61 from sources available for payment of earnings at such rate and
 62 at such times and for such time or notice periods as shall be
 63 determined by resolution of its board of directors. All savings
 64 account holders shall participate equally in earnings pro rata
 65 to the withdrawal value of their respective accounts, except
 66 that an association may classify its savings accounts according
 67 to the character, amount, or duration thereof, or regularity of
 68 additions thereto, and may agree in advance to pay an additional
 69 or different rate of earnings not to exceed one percent over and
 70 above the rate of earnings paid on all savings accounts on
 71 accounts based on such classification, and shall regulate such
 72 earnings in such manner that each savings account in the same
 73 classification shall receive the same ratable portion of such

1 additional earnings, except for accounts which shall be
2 classified according to a specified contractual time or notice
3 period. Earnings shall be declared on the withdrawal value of
4 each savings account at the beginning of the accounting period,
5 plus additions thereto made during the period (less amounts
6 previously withdrawn and noticed for withdrawal, which for
7 earnings purposes shall be deducted from the latest previous
8 additions thereto) computed at the declared rate for the time
9 the funds have been invested, determined as next provided. The
10 date of investment shall be the date of actual receipt by the
11 association of an account or an addition to an account, except
12 that if the board of directors shall so determine, accounts in
13 one or more classifications or additions thereto received by the
14 association on or before a date not later than the 20th day of
15 the month in which such payments were received; if the board
16 shall make such determination, it also shall determine that
17 payments received subsequent to such determination date shall
18 either (1) receive earnings as if invested on the first day of
19 the next succeeding month, or (2) receive earnings from the date
20 of actual receipt by the association. Unless the commissioner
21 shall issue ~~his~~ approval in writing, no earnings shall be *
22 declared or paid for an accounting period unless the allocation
23 to the general reserve for the preceding accounting period
24 required by section 51A.20 or approved by the commissioner
25 thereunder has been made. Notwithstanding the provisions of the
26 second sentence of this section, the board of directors, by
27 resolution, may determine that earnings shall not be paid on any
28 savings account which has a withdrawal value of a specified
29 amount less than \$50 or which by written agreement is intended
30 to be closed within a specified period less than 15 months from
31 the date on which such savings account is opened, provided that
32 an exception may be made and earnings paid on savings accounts
33 opened pursuant to section 51A.24. The directors shall
34 determine by resolution the method of calculating the amount of
35 any earnings on savings accounts as herein provided, and the
36 time or times when earnings are to be declared, paid, or
37 credited.

051A#33S

38 51A.33 WITHDRAWAL.

39 Any savings account member or authorized representative may
40 at any time present a written application for withdrawal of all
41 or any part of ~~his~~ the member's savings accounts. Every *
42 application shall request immediate withdrawal of a stated
43 amount in accordance with this section. Any member may cancel
44 an application at any time in whole or in part by a writing.
45 Every association shall pay or number, date, and file in the
46 order of actual receipt every withdrawal application.
47 Withdrawals shall be made in the order of actual receipt of
48 applications, except as provided in this section. Upon receipt
49 of a withdrawal request signed by the person or persons
50 authorized to withdraw by the savings account contract or by
51 operation of law, an association shall pay the amount stated
52 thereon in the form of cash or one or more checks or similar
53 instruments payable to the order of any person or to the order
54 of others as directed, or transfer credits to the account or
55 accounts of others in the institution as directed, but not in
56 excess of the withdrawal value of the savings account or
57 accounts, together with any earnings which may have been
58 declared and may have accrued thereon for the current period.
59 If an association so elects, it may at any time pay in full each
60 and every application as presented. It shall not, however, pay
61 some in full unless it pays every application on file in full,
62 except by paying all applications on file on the rotation system
63 prescribed in this section. The board of directors, however,
64 shall have an absolute right to pay upon any application not
65 exceeding \$200 to any one savings account member in any one
66 month in any order. No association can obligate itself to pay
67 withdrawals on any plan other than as provided in sections
68 51A.01 to 51A.57. Savings account holders who have filed
69 written applications for withdrawal shall remain savings account
70 members so long as their applications remain on file. No
71 earnings shall be declared upon that portion of an account which
72 has been noticed for withdrawal, which for earnings purposes is
73 required to be deducted from the latest previous additions to
74 such account, so long as application is on file. The rotation
75 system for payment of withdrawals is as follows: On the first

1 day of each month, each application which has been on file since
2 the first day of the preceding month and which is reached in
3 order shall be paid \$1,000 on account, or in full if the amount
4 noticed for withdrawal or the unpaid balance of the application
5 is less than \$1,000. Each application for more than \$1,000 so
6 paid shall be deemed refiled as if filed on that day. Limited
7 payment on the first day of each month and renumbering shall
8 take place on the first day of each subsequent month as long as
9 there are applications unpaid. At least one-third of the
10 receipts of an association from its members during the preceding
11 calendar month shall be applied on the first day of each month
12 to the payment of applications which have been on file since the
13 first day of the preceding month. Any association may apply to
14 withdrawals an amount larger than one-third of the receipts, but
15 cannot obligate itself to do so. When an application to
16 withdraw is reached for payment as above provided, a written
17 notice shall be sent to the applicant by mail at ~~his~~ the last *
18 address recorded on the books, and unless the applicant shall
19 apply in person or in writing for the withdrawal within 30 days
20 from the date of the notice, no payment on account of the
21 application shall be made and the application shall be
22 cancelled. In no event shall an association voluntarily or
23 involuntarily delay or postpone the whole or partial payment of
24 the value of any savings account pursuant to a written
25 withdrawal application by a savings account member for a period
26 exceeding 30 days following the receipt of the application
27 without first securing written permission, in the case of an
28 association the accounts of which are not insured by the federal
29 savings and loan insurance corporation, from the commissioner,
30 or in the case of an association the accounts of which are
31 insured by the federal savings and loan insurance corporation,
32 from the corporation. If the association is under control of a
33 conservator appointment pursuant to section 51A.45, subdivision
34 2, withdrawal shall be governed by the lawful rules and orders
35 of the conservator.

051A#34S

36 51A.34 REDEMPTION.

37 At any time funds are on hand for the purpose, the
38 association shall have the right to redeem by lot or otherwise,
39 as the board of directors may determine, all or any part of any
40 of its savings accounts on an earnings date by giving 30 days'
41 notice by certified mail addressed to each affected account
42 holder at ~~his~~ the last address of the account holder as recorded *
43 on the books of the association. No association shall redeem
44 any of its savings accounts when the association is in an
45 impaired condition or when it has applications for withdrawal
46 which have been on file more than 30 days and have not been
47 reached for payment. The redemption price of savings accounts
48 redeemed shall be full value of the account redeemed, as
49 determined by the board of directors, but in no event shall the
50 redemption price be less than the withdrawal value. If the
51 aforesaid notice of redemption shall have been duly given, and
52 if on or before the redemption date the funds necessary for such
53 redemption shall have been set aside so as to be and continue to
54 be available therefor, earnings upon the accounts called for
55 redemption shall cease to accrue from and after the earnings
56 date specified as the redemption date, and all rights with
57 respect to such accounts shall forthwith, after such redemption
58 date, terminate, except only any right of the account holder of
59 record to receive the redemption price without interest.

051A#37S

60 51A.37 INVESTMENT IN LOANS.

61 No change for subd 1 to 2

62 Subd. 3. REAL ESTATE LOANS. Real estate loans in any
63 amount not exceeding the value of the security, subject to the
64 following conditions:

65 (a) No association shall make a real estate loan to one
66 borrower if the sum of (1) the amount of the loan and (2) the
67 total balances of all outstanding real estate loans owed to the
68 association by the borrower exceeds an amount equal to ten
69 percent of the association's savings liability or an amount
70 equal to the sum of the association's reserves for losses and
71 undivided profits, whichever amount is less, except that any
72 such loan may be made if the sum of (1) and (2) does not exceed
73 \$100,000.

74 (b) An association may (1) participate with one or more

1 financial institutions, or entities having a tax exemption under
 2 section 501(a) of the internal revenue code, in any real estate
 3 loan of the type in which the association is authorized to
 4 invest on its own account, provided that the participating
 5 interest of the association is not subordinated or inferior to
 6 any other participating interest; and (2) participate in real
 7 estate loans with other than financial institutions or those
 8 entities described, provided that the participating interest of
 9 the association is superior to the participating interests of
 10 the other participants.

11 (c) The aggregate balances outstanding of real estate
 12 loans on real estate located outside the primary lending area of
 13 an association shall at no time exceed ten percent of the assets
 14 of the association, except that (1) loans insured or guaranteed
 15 in whole or in part by the United States, or a federal agency
 16 and (2) loans in which an association owns or has purchased no
 17 more than a 75 percent participation interest are not subject to
 18 this restriction; and

19 (d) Direct reduction real estate loans on home property
 20 and not in excess of 90 percent of the value of the security
 21 except as may be provided by the Federal Home Loan Bank Board
 22 for federally insured associations, and direct reduction real
 23 estate loans on primarily residential property not in excess of
 24 80 percent of the value of the security, including participating
 25 interests in the loans, shall average annually, based on monthly
 26 computations, at least 70 percent of assets, other than liquid
 27 assets, held by the association.

28 (e) Real estate loans on home property by mortgage or
 29 contract for deed, as provided in clauses (a) through (d) above
 30 with no limit on purchase or sale thereof; and may participate
 31 with other lenders in the making, purchasing, or selling of the
 32 loans, provided (1) the property securing same is within 100
 33 miles of the servicing office of the other lender or lenders and
 34 (2) that the other lender or lenders participate to the extent
 35 of at least ten percent in the loan and further provided not
 36 more than 25 percent of the assets of the association licensed
 37 hereunder shall be in the loan.

38 (f) An association may purchase, at any sheriff's
 39 judicial, or other sale, public or private, any real estate upon
 40 which it has a mortgage, judgment, or other lien, or in which it
 41 has any interest. It may acquire title to any real estate on
 42 which it holds any lien, in full or part satisfaction thereof,
 43 and may sell, convey, hold, lease, or mortgage the same. In
 44 transactions involving the purchase by a vendee of improved real
 45 estate for home purposes, or for the construction of a home, a
 46 savings and loan association organized under the laws of this
 47 state, or of the United States of America, may, when authorized
 48 by its bylaws, acquire the title thereof, and it may give to the
 49 vendee a contract to convey the same as upon a sale thereof.
 50 Provided, that no association shall hereafter invest more than
 51 50 percent of its assets in such contracts to convey. Upon
 52 default in the conditions of the contract, the association may
 53 terminate the interest of the vendee, ~~his~~ or the vendee's *
 54 representatives or assigns by serving the notice provided by *
 55 section 559.21, upon the vendee, ~~his~~ or the vendee's
 56 representative or assigns.

57 No change for subd 4 to 9

051A#38S

58 51A.38 LOAN PLANS.

59 No change for subd 1 to 5

60 Subd. 6. LIEN OF MORTGAGE. Any mortgage that can be
 61 made by an association under the provisions of sections 51A.01
 62 to 51A.57 may be made to secure existing debts or obligations,
 63 to secure debts or obligations created simultaneously with the
 64 execution of the mortgage, to secure future advances necessary
 65 to protect the security, and to secure future advances to be
 66 made at the option of the parties up to a total amount stated in
 67 the mortgage, and all such debts, obligations, and future
 68 advances shall, from and as of the time the mortgage is filed
 69 for record as provided by the law of this state, be secured by
 70 such mortgage equally with, and have the same priority over the
 71 rights of all persons who subsequent to the recording of such
 72 mortgage acquire any rights in or liens upon the mortgaged real
 73 estate as, the debts and obligations secured thereby at the time
 74 of the filing of the mortgage for record; except that (1) the
 75 mortgagor or ~~his~~ the mortgagor's successor in title is hereby *

1 authorized to file for record, and the same shall be recorded, a
 2 notice limiting the amount of optional future advances secured
 3 by such mortgage to not less than the amount actually advanced
 4 at the time of such filing, provided a copy of such filing is
 5 also filed with the mortgagee, and (2) if any optional future
 6 advance shall be made by the mortgagee to the mortgagor or ~~his~~ *
 7 the mortgagor's successor in title after written notice of any *
 8 mortgage, lien, or claim against such real property which is
 9 junior to such mortgage, then the amount of such advance shall
 10 be junior to such mortgage, lien, or claim of which such written
 11 notice was given.

12 No change for subd 7 to 8

051A#39S

13 51A.39 LOAN EXPENSES.

14 No change for subd 1

15 Subd. 2. SETTLEMENT STATEMENT. The association
 16 shall furnish a loan settlement statement to each borrower upon
 17 the closing of the loan, indicating in detail the charges and
 18 fees such borrower has paid or is obligated ~~himself~~ to pay to *
 19 the association or to any other person in connection with such
 20 loan. A copy of such statement shall be retained in the records
 21 of the association.

051A#44S

22 51A.44 REPORTS AND EXAMINATIONS.

23 No change for subd 1

24 Subd. 2. OTHER REPORTS. Every association also
 25 shall make such other reports as the commissioner may from time
 26 to time require, which shall be in such form and filed on such
 27 date as ~~he~~ the commissioner may prescribe and shall, if required *
 28 ~~by-him~~, be verified in the same manner as the annual report. *

29 Subd. 3. Repealed, 1984 c 576 s 27

30 No change for subd 4 to 5

31 Subd. 6. COMMISSIONER AUTHORIZED TO HAVE APPRAISALS
 32 MADE AT EXPENSE OF ASSOCIATION. The commissioner is
 33 authorized in connection with any examination or audit of any
 34 association to cause to be made appraisal so real estate held by
 35 the association or securing the association's assets when
 36 specific facts or information with respect to real estate held,
 37 secured loans or lending, or when in ~~his~~ the commissioner's *
 38 opinion the association's policies, practices, operating results
 39 and trends give evidence that an association's appraisals may be
 40 excessive, that lending or investment may be of a marginal
 41 nature, that appraisal policies and practices may not conform
 42 with generally accepted and established professional standards,
 43 or that real estate held by the association or assets secured by
 44 real estate are overvalued. In lieu of causing such appraisals
 45 to be made, the commissioner may accept any appraisal caused to
 46 be made by a federal home loan bank, the federal home loan bank
 47 board, or by the federal savings and loan insurance corporation
 48 or other insuring agency of an insured association. Unless
 49 otherwise ordered by the commissioner, appraisal of real estate
 50 in connection with any examination or audit pursuant to this
 51 section shall be made by a professional appraiser or appraisers
 52 selected by the commissioner, and the cost of such appraisal
 53 promptly shall be paid by such association directly to such
 54 appraiser or appraisers upon receipt by the association of a
 55 statement of such cost bearing the written approval of the
 56 commissioner. A copy of the report of each appraisal caused to
 57 be made by the commissioner pursuant to this subdivision shall
 58 be furnished to the association within a reasonable time, not to
 59 exceed 60 days, following the completion of such appraisals, and
 60 may in the case of an insured association be furnished to the
 61 insuring agency.

051A#45S

62 51A.45 ENFORCEMENT AND CONSERVATORSHIP.

63 Subdivision 1. COMMISSIONER MAY ORDER ASSOCIATION TO
 64 DISCONTINUE ANY ILLEGAL PRACTICE. If the commissioner, as a
 65 result of any examination or from any report made ~~to-him~~, shall *
 66 find that any association is violating the provisions of its
 67 certificate of incorporation or bylaws, or the laws of this
 68 state or of the United States, or any lawful order or regulation
 69 of the commissioner, ~~he~~ the commissioner shall, by a formal *
 70 written order delivered to the association as aforesaid, state
 71 any alleged violation, together with a statement of the facts
 72 alleged to be such violation, and order discontinuance of such
 73 violation and conformance with all requirements of law. Such

1 order shall specify the effective date thereof, which may be
 2 immediate or may be at a later date, and such order shall remain
 3 in effect until withdrawn by the commissioner or until
 4 terminated by a court order. Such order of the commissioner,
 5 upon application made on or after the effective date thereof by
 6 the commissioner to a court of general jurisdiction in the
 7 county in which the principal office of the association is
 8 located, shall be enforced ex parte and without notice by an
 9 order to comply entered by said court. Such proceedings shall
 10 be given precedence over other cases pending in such court, and
 11 shall in every way be expedited. Any association affected by
 12 such order of the commissioner shall, after receipt thereof,
 13 have the right to apply within 30 days to any such court for an
 14 immediate hearing and order suspending the order of the
 15 commissioner until such time as the hearing has been completed.
 16 The hearing of such application to the court shall be upon such
 17 notice to the commissioner as the court shall provide. Whether
 18 upon application by the commissioner or by the association, such
 19 court shall have power to and shall adjudicate the question and
 20 enter the proper order or orders and enforce the same.

21 Subd. 2. CONSERVATOR. If the commissioner, as a
 22 result of any examination or from any report made ~~to him~~ *
 23 believes that the public interest may be served by the
 24 appointment of a conservator, and if ~~he~~ the commissioner shall *
 25 find that any association: (a) Is in an impaired condition; (b)
 26 is engaging in practices which threaten to result in an impaired
 27 condition; or (c) is in violation of an order of injunction, as
 28 authorized by this section, which has become final in that time
 29 to appeal has expired without appeal or a final order entered
 30 from which there can be no appeal, the commissioner may appoint
 31 a conservator for such association, which may be the *
 32 commissioner, ~~his~~ a deputy or any other person, and upon such
 33 appointment shall apply immediately to a court of general *
 34 jurisdiction in the county in which the principal office of the
 35 association is located for confirmation of such appointment, and
 36 such court shall have exclusive jurisdiction to determine the
 37 issues and all related matters. Such proceedings shall be given
 38 precedence over other cases pending in such court, and shall in
 39 every way be expedited. Such court shall confirm such
 40 appointment if it shall find that one or more such grounds
 41 exist, and a certified copy of the order of the court confirming
 42 such appointment shall be evidence thereof. Such conservator
 43 shall have the power and authority provided in sections 51A.01
 44 to 51A.57 and such other power and authority as may be expressed
 45 in the order of the court. Such conservator shall endeavor
 46 promptly to remedy the situations complained of by the
 47 commissioner in ~~his~~ the application for confirmation of such *
 48 appointment. Within six months of the date of such appointment,
 49 or within 12 months if the court shall extend the six month
 50 period, such association shall be returned to the board of
 51 directors thereof and thereafter shall be managed and operated
 52 as if no conservator had been appointed, or a receiver shall be
 53 appointed as hereinafter provided. The compensation of the
 54 conservator, as determined by the court, shall be paid by the
 55 association. A certified copy of the order of the court
 56 discharging such conservator and returning such association to
 57 the directors thereof shall be sufficient evidence thereof.

58 No change for subd 3 to 5

59 Subd. 6. UNDER CONSERVATOR, ASSOCIATION MAY BE OPERATED
 60 AS A "GOING CONCERN." While the association is in the charge
 61 of a conservator, members of such association shall continue to
 62 make payments to the association in accordance with the terms
 63 and conditions of their contracts, and the conservator, ~~in his~~ *
 64 ~~discretion,~~ may permit savings account members to withdraw their *
 65 accounts from the association pursuant to the provisions of
 66 sections 51A.01 to 51A.57 or under and subject to such rules and
 67 regulations as the commissioner may prescribe. The conservator
 68 shall have power to accept savings accounts and additions to
 69 savings accounts, but any such amounts received by the
 70 conservator may be segregated if the commissioner shall so order
 71 in writing; if so ordered, such amounts shall not be subject to
 72 offset and shall not be used to liquidate any indebtedness of
 73 such association existing at the time the conservator was
 74 appointed for it or any subsequent indebtedness incurred for the
 75 purposes of liquidating the indebtedness of any such association
 76 existing at the time such conservator was appointed. All

1 expenses of the association during such conservatorship shall be
2 paid by the association.

051A#46S

3 51A.46 RECEIVERSHIP.

4 Subdivision. 1. APPOINTMENT OF RECEIVER. If the
5 commissioner shall find that any association: (a) Is in an
6 impaired condition; (b) is engaging in practices which threaten
7 to result in an impaired condition; or (c) is in violation of an
8 order or injunction, as provided in section 51A.45, which has
9 become final in that the time to appeal has expired without
10 appeal or a final order entered from which there can be no
11 appeal, the commissioner may appoint a receiver for such
12 association, which may be the commissioner, ~~his~~ a deputy or any *
13 other person, and upon such appointment shall apply immediately
14 to a court of general jurisdiction in the county in which the
15 principal office of the association is located for confirmation
16 of such appointment, and such court shall have exclusive
17 jurisdiction to determine the issues and all related matters.
18 Such proceedings shall be given precedence over other cases
19 pending in such court, and shall in every way be expedited.
20 Such court shall confirm such appointment if it shall find that
21 one or more such grounds exist, and a certified copy of the
22 order of the court confirming such appointment shall be evidence
23 thereof. In the case of an insured association, the appointment
24 by the commissioner of a receiver under this section shall
25 constitute an official determination of a public authority of
26 this state pursuant to which a receiver is appointed for the
27 purpose of liquidation as contemplated by and within the meaning
28 of section 401(d) of the national housing act of 1934, as
29 amended, if, within ten days after the date the application of
30 the commissioner is filed, confirmation of such appointment or
31 denial of confirmation has not been issued by the court. Such
32 receiver shall have all the powers and authority of a
33 conservator plus the power to liquidate, and shall have such
34 other powers and authority as may be expressed in the order of
35 the court. If the commissioner, or ~~his~~ a deputy, or examiner is *
36 appointed receiver, then the compensation of the receiver, as
37 determined by the court, shall be paid from the assets of the
38 association.

39 No change for subd 2 to 3

051A#52S

40 51A.52 DIRECTORS, EMPLOYEES, MEMBERS, AND STOCKHOLDERS
41 OF ASSOCIATION MAY ACKNOWLEDGE INSTRUMENTS TO WHICH IT IS A
42 PARTY.

43 No public officer qualified to take acknowledgments or
44 proofs of written instruments shall be disqualified from taking
45 the acknowledgment or proof of any instrument in writing in
46 which an association is interested by reason of ~~his~~ membership *
47 in, stockholder interest in, or employment by an association so
48 interested, and any acknowledgments or proofs heretofore taken
49 are hereby validated.

052*#01S

50 52.01 ORGANIZATION.

51 Any seven residents of the state may apply to the
52 commissioner of commerce for permission to organize a credit
53 union.

54 A credit union is a cooperative society, incorporated for
55 the two-fold purpose of promoting thrift among its members and
56 creating a source of credit for them at legitimate rates of
57 interest for provident purposes.

58 A credit union is organized in the following manner:

59 (1) The applicants execute, in duplicate, a certificate of
60 organization by the terms of which they agree to be bound, which
61 shall state:

62 (a) the name and location of the proposed credit union;

63 (b) the names and addresses of the subscribers to the
64 certificate and the number of shares subscribed by each;

65 (2) The applicants submit the following in the form

66 prescribed by the commissioner of commerce:

67 (a) a statement of the common bond of the proposed credit
68 union;

69 (b) the number of potential members;

70 (c) the geographic dispersion of the potential members;

71 (d) evidence of interest, including willingness of
72 potential members to assume responsibility for leadership and
73 service;

1 (e) a two-year forecast of probable levels of assets,
2 shares and deposits, and income and expense;
3 (f) the availability of other credit union services to the
4 potential members;
5 (g) other information the commissioner requires;
6 (3) They next prepare and adopt bylaws for the general
7 governance of the credit union consistent with the provisions of
8 this chapter, and execute them in duplicate;
9 (4) The certificate and the bylaws, both executed in
10 duplicate, are forwarded to the commissioner of commerce with a
11 \$100 application fee;
12 (5) The commissioner of commerce shall, within 60 days of
13 the receipt of the certificate, the information required by
14 paragraph (2), the bylaws, and a commitment for insurance of
15 accounts as required by section 52.24, subdivision 2, determine
16 whether they comply with the provisions of this chapter, and
17 whether or not the organization of the credit union in question
18 would benefit its members, be economically feasible, and be
19 consistent with the purposes of this chapter;
20 (6) Thereupon the commissioner of commerce shall notify the
21 applicants of ~~his~~ the decision. If it is favorable, the
22 commissioner shall issue a certificate of approval, attached to
23 the duplicate certificate of organization, and return them with
24 the duplicate bylaws to the applicants. If it is unfavorable,
25 the applicants may, within 60 days after the decision, appeal
26 for a review in a court of competent jurisdiction;
27 (7) The applicants shall thereupon file the duplicate of
28 the certificate of organization, with the certificate of
29 approval attached thereto, with the secretary of state, who
30 shall make a record of the certificate and return it, with a
31 certificate of record attached thereto, to the commissioner of
32 commerce for permanent records; and
33 (8) Thereupon the applicants shall be a credit union
34 incorporated in accordance with the provisions of this chapter.
35 In order to simplify the organization of credit unions, the
36 commissioner of commerce shall prepare approved forms of
37 certificate of organization and bylaws, consistent with this
38 chapter, which may be used by credit union incorporators for
39 their guidance, and on written application of seven residents of
40 the state, shall supply them without charge with a blank
41 certificate of organization and a copy of the form of suggested
42 bylaws.

052*#04S

43 52.04 POWERS.

44 Subdivision 1. A credit union has the following powers:

- 45 (1) to offer its members and other credit unions various
46 classes of shares, share certificates, deposits, or deposit
47 certificates;
48 (2) to receive the savings of its members either as payment
49 on shares or as deposits, including the right to conduct
50 Christmas clubs, vacation clubs, and other thrift organizations
51 within its membership;
52 (3) to make loans to members for provident or productive
53 purposes as provided in section 52.16;
54 (4) to make loans to a cooperative society or other
55 organization having membership in the credit union;
56 (5) to deposit in state and national banks and trust
57 companies authorized to receive deposits;
58 (6) to invest in any investment legal for savings banks or
59 for trust funds in the state and, notwithstanding clause (3), to
60 invest in and make loans of unsecured days funds (federal funds
61 or similar unsecured loans) to financial institutions insured by
62 an agency of the federal government and a member of the Federal
63 Reserve System or required to maintain reserves at the Federal
64 Reserve;
65 (7) to borrow money as hereinafter indicated;
66 (8) to adopt and use a common seal and alter the same at
67 pleasure;
68 (9) to make payments on shares of and deposit with any
69 other credit union chartered by this or any other state or
70 operating under the provisions of the federal Credit Union Act,
71 in amounts not exceeding in the aggregate 25 percent of its
72 unimpaired assets. However, payments on shares of and deposit
73 with credit unions chartered by other states are restricted to
74 credit unions insured by the National Credit Union
75 Administration. The restrictions imposed by this clause do not

1 apply to share accounts and deposit accounts of the Minnesota
2 corporate credit union in United States central credit union or
3 to share accounts and deposit accounts of credit unions in the
4 Minnesota corporate credit union;

5 (10) to contract with any licensed insurance company or
6 society to insure the lives of members to the extent of their
7 share accounts, in whole or in part, and to pay all or a portion
8 of the premium therefor;

9 (11) to indemnify each director, officer, or committee
10 member, or former director, officer, or committee member against
11 all expenses, including attorney's fees but excluding amounts
12 paid pursuant to a judgment or settlement agreement, reasonably
13 incurred ~~by him~~ in connection with or arising out of any action,
14 suit, or proceeding to which he that person is a party by reason
15 of being or having been a director, officer, or committee member
16 of the credit union, except with respect to matters as to
17 which he that person is finally adjudged in the action, suit, or
18 proceeding to be liable for negligence or misconduct in the
19 performance of ~~his~~ duties. The indemnification is not exclusive
20 of any other rights to which he that person may be entitled
21 under any bylaw, agreement, vote of members, or otherwise;

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22 (12) upon written authorization from a member, retained at
23 the credit union, to make payments to third parties by
24 withdrawals from the member's share or deposit accounts or
25 through proceeds of loans made to such member, or by permitting
26 the credit union to make those payments from the member's funds
27 prior to deposit; to permit draft withdrawals from member
28 accounts, but a credit union proposing to permit draft
29 withdrawals shall notify the commissioner of commerce, in the
30 form prescribed, of its intent not less than 90 days prior to
31 authorizing draft withdrawals. The board of directors of a
32 credit union may restrict one class of shares to the extent that
33 it may not be redeemed, withdrawn, or transferred except upon
34 termination of membership in the credit union;

35 (13) to inform its members as to the availability of
36 various group purchasing plans which are related to the
37 promotion of thrift or the borrowing of money for provident and
38 productive purposes by means of informational materials placed
39 in the credit union's office, through its publications, or by
40 direct mailings to members by the credit union;

41 (14) to facilitate its members' voluntary purchase of types
42 of insurance incidental to promotion of thrift or the borrowing
43 of money for provident and productive purposes including, but
44 not limited to the following types of group or individual
45 insurance: Fire, theft, automobile, life and temporary
46 disability; to be the policy holder of a group insurance plan or
47 a subgroup under a master policy plan and to disseminate
48 information to its members concerning the insurance provided
49 thereunder; to remit premiums to an insurer or the holder of a
50 master policy on behalf of a credit union member, if the credit
51 union obtains written authorization from the member for
52 remittance by share or deposit withdrawals or through proceeds
53 of loans made by the members, or by permitting the credit union
54 to make the payments from the member's funds prior to deposit;
55 and to accept from the insurer reimbursement for expenses
56 incurred or in the case of credit life and accident and health
57 insurance within the meaning of chapter 62B commissions for the
58 handling of the insurance. The amount reimbursed or the
59 commissions received may constitute the general income of the
60 credit union. The directors, officers, committee members and
61 employees of a credit union shall not profit on any insurance
62 sale facilitated through the credit unions;

63 (15) to contract with another credit union to furnish
64 services which either could otherwise perform. Contracted
65 services under this clause are subject to regulation and
66 examination by the commissioner of commerce like other services;

67 (16) in furtherance of the twofold purpose of promoting
68 thrift among its members and creating a source of credit for
69 them at legitimate rates of interest for provident purposes, and
70 not in limitation of the specific powers hereinbefore conferred,
71 to have all the powers enumerated, authorized, and permitted by
72 this chapter, and such other rights, privileges and powers
73 incidental to, or necessary for, the accomplishment of the
74 objectives and purposes of the credit union;

75 (17) to rent safe deposit boxes to its members if the
76 credit union obtains adequate insurance or bonding coverage for

1 losses which might result from the rental of safe deposit boxes;
 2 (18) notwithstanding the provisions of section 52.05, to
 3 accept deposits of public funds in an amount secured by
 4 insurance or other means pursuant to chapter 118;
 5 (19) to accept and maintain treasury tax and loan accounts
 6 of the United States and to pledge collateral to secure the
 7 treasury tax or loan accounts, in accordance with the
 8 regulations of the Department of Treasury of the United States;
 9 (20) to accept deposits pursuant to section 149.12,
 10 notwithstanding the provisions of section 52.05, if the deposits
 11 represent funding of prepaid funeral plans of members;
 12 (21) to sell, in whole or in part, real estate secured
 13 loans provided that:
 14 (a) the loan is secured by a first lien;
 15 (b) the board of directors approves the sale;
 16 (c) if the sale is partial, the agreement to sell a partial
 17 interest shall, at a minimum:
 18 (i) identify the loan or loans covered by the agreement;
 19 (ii) provide for the collection, processing, remittance of
 20 payments of principal and interest, taxes and insurance premiums
 21 and other charges or escrows, if any;
 22 (iii) define the responsibilities of each party in the
 23 event the loan becomes subject to collection, loss or
 24 foreclosure;
 25 (iv) provide that in the event of loss, each owner shall
 26 share in the loss in proportion to its interest in the loan or
 27 loans;
 28 (v) provide for the distribution of payments of principal
 29 to each owner proportionate to its interest in the loan or loans;
 30 (vi) provide for loan status reports;
 31 (vii) state the terms and conditions under which the
 32 agreement may be terminated or modified; and
 33 (d) the sale is without recourse or repurchase unless the
 34 agreement:
 35 (i) requires repurchase of a loan because of any breach of
 36 warranty or misrepresentation;
 37 (ii) allows the seller to repurchase at its discretion; or
 38 (iii) allows substitution of one loan for another;
 39 (22) in addition to the sale of loans secured by a first
 40 lien on real estate, to sell, pledge, discount, or otherwise
 41 dispose of, in whole or in part, to any source, a loan or group
 42 of loans, other than a self-replenishing line of credit;
 43 provided, that within a calendar year beginning January 1 the
 44 total dollar value of loans sold, other than loans secured by
 45 real estate or insured by a state or federal agency, shall not
 46 exceed 25 percent of the dollar amount of all loans and
 47 participating interests in loans held by the credit union at the
 48 beginning of the calendar year, unless otherwise authorized in
 49 writing by the commissioner;
 50 (23) to designate the par value of the shares of the credit
 51 union by board resolution;
 52 (24) to exercise by resolution the powers set forth in
 53 United States Code, title 12, section 1757, as amended through
 54 August 1, 1985. Before exercising each power, the board must
 55 submit a plan to the commissioner of commerce detailing
 56 implementation of the power to be used.

57 Subd. 2. Repealed, 1985 c 137 s 3

052*#05S

58 52.05 MEMBERSHIP.

59 Credit union membership consists of the incorporators and
 60 other persons as may be elected to membership and subscribe to
 61 at least one share as designated by the board of directors, pay
 62 the initial installment thereon and the entrance fee if any. In
 63 addition to a regularly qualified member, the spouse of a
 64 member, the blood or adoptive relatives of either of them and
 65 their spouses may be members. When an individual member of a
 66 credit union leaves the field of membership, the member, and all
 67 persons who became members by virtue of ~~his or her~~ that
 68 individual's membership may continue as members. The surviving
 69 spouse of a regularly qualified member, and the blood or
 70 adoptive relatives of either of them and their spouses may
 71 become members. Organizations, incorporated or otherwise,
 72 composed for the most part of the same general group as the
 73 credit union membership may be members. Credit unions chartered
 74 by this or any other state, or any federal credit union may be
 75 members. Credit union organizations shall be limited to groups,

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1 of both large and small membership, having a common bond of
2 occupation, or association, or to residents within a
3 well-defined neighborhood, community, or rural district.

4 Any 25 residents of the state representing a group may
5 apply to the commissioner, advising him the commissioner of the
6 common bond of the group and its number of potential members,
7 for a determination whether it is feasible for the group to form
8 a credit union. Upon a determination that it is not feasible to
9 organize because the number of potential members is too small,
10 the applicants will be certified by the commissioner as eligible
11 to petition for membership in an existing credit union
12 geographically situated to adequately service the group. If the
13 credit union so petitioned resolves to accept the group into
14 membership, it shall follow the bylaw amendment and approval
15 procedure set forth in section 52.02.

052*#06S

16 52.06 SUPERVISION; REPORTS; AUDITS; FEES.

17 Subdivision 1. Credit unions shall be under the
18 supervision of the commissioner of commerce. Each credit union
19 shall annually, on or before January 25, file a report with the
20 commissioner of commerce on forms supplied by him the
21 commissioner for that purpose giving such relevant information
22 as he the commissioner may require concerning the operations
23 during the preceding calendar year. Additional reports may be
24 required. Credit unions shall be examined, at least once every
25 18 calendar months, by the commissioner of commerce, except that
26 if a credit union requests, the commissioner may accept the
27 audit of a certified public accountant in place of this
28 examination. Such certified public accountant must be approved
29 by the commissioner. The qualitative type of audit examination
30 to be performed by the certified public accountant shall be
31 defined by regulation and approved by the commissioner.
32 Further, in lieu of this examination the commissioner may accept
33 any examination made by the National Credit Union
34 Administration, provided a copy of the examination is furnished
35 to the commissioner. A report of the examination by the
36 commissioner of commerce shall be forwarded to the president, or
37 the chairman chair of the board if the position is so designated
38 pursuant to section 52.09, subdivision 4, of the examined credit
39 union within 60 days after completion of the examination.
40 Within 60 days of the receipt of such report, a general meeting
41 of the directors and committees shall be called to consider
42 matters contained in the report. For failure to file reports
43 when due, unless excused for cause, the credit union shall pay
44 to the state treasurer \$5 for each day of its delinquency.

45 Subd. 2. Whenever it shall appear to the commissioner of
46 commerce that any credit union operating in this state does not
47 keep books and accounts in such manner as to enable him the
48 commissioner to readily ascertain the true condition of such
49 credit union, ~~he shall have the power to~~ the commissioner may
50 require the officers of such credit union or any of them to open
51 and keep such books or accounts as ~~he may in his discretion~~ the
52 commissioner may determine and prescribe for the purpose of
53 keeping accurate and convenient records of the transactions and
54 accounts of such credit union. Credit union books and records
55 must be maintained in one location and be available for
56 examination sometime between the hours of 8 a.m. and 5 p.m.
57 weekdays. Any credit union failing to produce the books and
58 records when requested shall be charged for such attempted
59 examination by the examiner on the basis outlined in section
60 46.131 and a like charge shall be assessed for each and every
61 attempt made by the examiner to obtain the books and records.
62 Prepaid expenses may be treated as an asset account in
63 accordance with sound accounting procedures.

052*#061S

64 52.061 CREDIT UNION ADVISORY TASK FORCE.

65 The commissioner of commerce may appoint a credit union
66 advisory task force to consult with, advise, and make
67 recommendations to the commissioner in all matters pertaining to
68 credit unions. If created, the advisory task force shall
69 consist of five members who shall be appointed by the
70 commissioner and who shall be persons who have had three or more
71 years of experience as a credit union officer, director or
72 committee member. To aid in making a selection of the five
73 advisory task force members, the Minnesota league of credit
74 unions may submit a list of not less than 15 names; however, the

1 commissioner shall not be limited to this list in making his *
 2 selections. The commissioner may review with the advisory task
 3 force the records of the department of commerce concerning the
 4 supervision, regulation, and examination of credit unions. The
 5 task force expiration, terms, compensation, and removal of
 6 members shall be as provided in section 15.059.

052*#062S

7 52.062 CREDIT UNIONS; SUSPENSION OF OPERATION.

8 No change for subd 1

9 Subd. 2. The commissioner of commerce may suspend the
 10 operation of the credit union by giving notice to its board of
 11 directors by certified mail with a copy to the advisory
 12 council. Said notice shall include a list of reasons for said
 13 suspension and a list of any specific violations of law, bylaw,
 14 or regulation, and shall specify which operations of the credit
 15 union may be continued during the period of suspension. The
 16 notice shall also fix a time and place for a hearing before the
 17 commissioner of commerce or such person or persons as the
 18 commissioner of commerce may designate. The hearing shall be
 19 held within 60 days of the notice of suspension, and the
 20 advisory council shall sit at such hearing for the purpose of
 21 providing advice and counsel to the commissioner of commerce
 22 or his a representative. Evidence may be produced at said *
 23 hearing by any party thereto, and the commissioner of commerce
 24 shall base his the decision as to the continued suspension of *
 25 operation of the credit union upon said evidence. If the
 26 commissioner of commerce decides to continue the suspension, he *
 27 the commissioner shall give notice of his the decision to the *
 28 board of directors of the credit union.

29 Subd. 3. In lieu of immediate suspension of the operation
 30 of the credit union, the commissioner of commerce may submit to
 31 the advisory task force, with a copy to the affected credit
 32 union, a statement with respect to said practices or violations
 33 for the purpose of investigation and review by the advisory task
 34 force so that it may attempt to cause the correction of said
 35 practices or violations. Unless said corrections shall be made
 36 within 60 days of the notice to the advisory task force and the
 37 credit union, the commissioner of commerce, if he-shall *
 38 determine intending to proceed further, shall give written *
 39 notice to the affected credit union written-notice of his the *
 40 intention to suspend the operation of the credit union, *
 41 and shall fix a time and place for a hearing before the *
 42 commissioner of commerce, or such person or persons as the
 43 commissioner of commerce may designate. The advisory task force
 44 shall sit at such hearing for the purpose of providing advice
 45 and counsel to the commissioner of commerce or his a *
 46 representative. Evidence may be produced at said hearing by any *
 47 party thereto, and the commissioner of commerce shall base his *
 48 the decision as to the suspension of operation of the credit *
 49 union upon said evidence. If the commissioner of commerce
 50 decides to suspend operation of the credit union, the board of
 51 directors shall be given notice by certified mail of such
 52 suspension, which notice shall include a list of reasons for
 53 such suspension and a list of any specific violations of law,
 54 bylaw, or regulation, and shall specify which operations of the
 55 credit union may continue during the period of suspension.

052*#07S

56 52.07 FISCAL YEAR; MEETINGS; VOTING.

57 The fiscal year of all credit unions shall end December 31.
 58 General and special meetings may be held in the manner and for
 59 the purposes indicated in the bylaws. At least ten days before
 60 any regular meeting, and at least seven days before any special
 61 meeting, written notice shall be mailed or handed to each
 62 member, and in the case of a special meeting, the notice shall
 63 clearly state the purpose of the meeting and what matters will
 64 be considered thereat. No member shall be eligible to vote at
 65 any meeting or to hold any office unless he the member owns at *
 66 least one share of the credit union which is fully paid. At all *
 67 meetings a member shall have but a single vote, whatever his the *
 68 member's share holdings. Upon resolution of the board of *
 69 directors, credit union members shall be authorized to vote by
 70 mail for election of directors, credit committee and supervisory
 71 members and amendments to bylaws at annual and special
 72 meetings. There shall be no voting by proxy. Any firm, society
 73 or corporation having a membership in the credit union and
 74 entitled to vote may cast its vote by one person upon

1 presentation ~~by-him~~ of written authority of the firm, society or *
 2 corporation.

052*#09S

3 52.09 DIRECTORS; POWERS AND DUTIES.

4 No change for subd 1

5 Subd. 2. PARTICULAR DUTIES. The directors shall
 6 manage the affairs of the credit union and shall:

7 (1) act on applications for membership. This power may be
 8 delegated to a membership ~~chairman~~ chair who serves at the *
 9 pleasure of the board of directors and is subject to its rules.
 10 An application must contain a certification signed by the
 11 membership ~~chairman~~ chair or a member of the board showing the *
 12 basis of membership;

13 (2) determine interest rates on loans and on deposits. The
 14 interest period on deposits may be on a daily, monthly,
 15 quarterly, semi-annual or annual basis, and may be paid on all
 16 deposits whether or not the deposits have been withdrawn during
 17 the interest period. Interest may be computed on a daily
 18 basis. At the discretion of the board of directors, interest
 19 need not be paid on deposit accounts of less than \$10;

20 (3) fix the amount of the surety bond required of all
 21 officers and employees handling money;

22 (4) declare dividends and transmit to the members
 23 recommended amendments to the bylaws;

24 (5) fill vacancies in the board and in the credit committee
 25 until successors are chosen and qualify at the next annual
 26 meeting;

27 (6) limit the number of shares and deposits which may be
 28 owned by a member, not to exceed ten percent of the outstanding
 29 shares and deposits, or \$2,000, whichever is larger, and the
 30 maximum individual loan which can be made with and without
 31 security, including liability indirectly as a co-maker,
 32 guarantor, or endorser to ten percent of outstanding shares and
 33 deposits. The ten percent share and deposit limitation is not
 34 applicable to the Minnesota corporate credit union, or to credit
 35 unions insured by the National Credit Union Administration;

36 (7) have charge of investments including loans to members,
 37 unless a credit committee is established pursuant to section
 38 52.08 or paragraph (13) of this subdivision;

39 (8) fix the salaries of the treasurer and other employees,
 40 which must be on a fixed monthly or annual basis, in dollars
 41 (not percentage);

42 (9) designate the depository institution in which the funds
 43 of the credit union will be deposited;

44 (10) authorize the officers of the credit union to borrow
 45 money from any source, as provided in section 52.15;

46 (11) with the permission of the commissioner of commerce,
 47 suspend any member of the credit committee or supervisory
 48 committee if it deems this action necessary to the proper
 49 conduct of the credit union, and call the members together to
 50 act on the suspension within a reasonable time after the
 51 suspension. The members at the meeting may, by majority vote of
 52 those present, sustain the suspension and remove the committee
 53 members permanently or may reinstate the committee members;

54 (12) provide financial assistance to the supervisory
 55 committee in carrying out its audit responsibilities;

56 (13) if the bylaws so provide and no credit committee has
 57 been elected pursuant to section 52.08, appoint a credit manager
 58 or a credit committee of not less than three members; and

59 (14) to establish different classes of shares.

60 Subd. 3. OFFICERS, BYLAWS; COMPENSATION. The duties
 61 of the officers shall be as determined in the bylaws, except
 62 that the treasurer may be the general manager. No member of the
 63 board, the supervisory committee or an elected credit committee
 64 shall receive a salary as such, but may be compensated for time
 65 actually spent in ~~his~~ official duties at an hourly rate as *
 66 determined by the annual meeting of members.

67 Subd. 4. OFFICERS' TITLES. Notwithstanding the other
 68 provisions of this chapter, the bylaws may provide that the
 69 position of president and vice-president of the directors as set
 70 forth in this chapter be designated chairman chair of the board *
 71 and vice-chairman vice-chair, and if so designated, the position *
 72 of manager or general manager as set forth in this chapter may
 73 be designated president, and one or more vice-presidents may be
 74 appointed. If the position of manager or general manager is
 75 designated president pursuant to this section, the treasurer may

1 be the president. A change of titles pursuant to this section
2 does not change the powers and duties of the position.

052*#12S

3 52.12 CAPITAL; ENTRANCE FEES; UNION TO HAVE LIEN.

4 The capital of a credit union includes shares, share
5 certificates, any special class of shares, undivided earnings,
6 reserves, and any entrance or membership fees. The credit union
7 shall have a lien on the shares and deposits of a member for any
8 sum due to the credit union from the member, or for any loan
9 endorsed by ~~him~~ that member. A credit union may, at its
10 discretion, charge an entrance or annual membership fee if
11 authorized by the bylaws. *

052*#16S

12 52.16 MAY LOAN MONEY, CONDITIONS.

13 Subdivision 1. A credit union may loan to members. Loans
14 must be for a provident or productive purpose and are made
15 subject to the conditions contained in the bylaws. A borrower
16 may repay ~~his~~ a loan, in whole or in part, any day the office of
17 the credit union is open for business. Except for loans secured
18 by first real estate mortgages on homes owned and occupied, of
19 the character made to other members, no director, officer, or
20 member of the credit or supervisory committee may become liable,
21 as a borrower or endorser for other borrowers, or both, to the
22 credit union in which ~~he~~ that person holds office, beyond the
23 amount of ~~his~~ the person's holdings in shares and deposits
24 therein, unless the loan shall have been approved in the manner
25 provided by section 52.10. *

26 No change for subd 2

052*#19S

27 52.19 EXPULSION OR WITHDRAWAL OF MEMBERS.

28 A member may be expelled by a two-thirds vote of the
29 members present at a special meeting called to consider the
30 matter, but only after a hearing. Any member may withdraw from
31 the credit union at any time, but notice of withdrawal may be
32 required. All amounts paid on shares or as deposits of an
33 expelled or withdrawing member, with any dividends or interest
34 accredited thereto, to the date thereof, shall, as funds become
35 available and after deducting all amounts due from the member to
36 the credit union and an amount as necessary to honor outstanding
37 share drafts drawn against the accounts of the member, be paid
38 to ~~him~~ the member. The credit union may require 60 days' notice
39 of intention to withdraw shares and 30 days' notice of intention
40 to withdraw deposits, except that a credit union shall not at
41 any time require notice of withdrawal of funds subject to
42 withdrawal by share drafts. Withdrawing or expelled members
43 shall have no further right in the credit union, but are not, by
44 the expulsion or withdrawal, released from any remaining
45 liability to the credit union. *

052*#20S

46 52.20 VOLUNTARY DISSOLUTION.

47 Subdivision 1. A credit union may be voluntarily
48 liquidated after two-thirds of the members present and entitled
49 to vote shall have voted such liquidation at a special meeting
50 called by a majority of the board of directors for that purpose,
51 upon 14 days mailed written notice to each member at ~~his~~ the
52 member's last known address clearly stating the purpose of the
53 special meeting, or at any regular meeting after like notice of
54 the purpose has been given. By a majority vote of the members
55 present and entitled to vote at the meeting, a committee of
56 three members shall be elected to liquidate the credit union. *

57 Vacancies in this committee shall be filled by the
58 remaining members of the committee, acting jointly with the
59 board of directors serving at the time of the vote for
60 liquidation, or by and with the approval of any ten or more
61 shareholders. In case the remaining members of the committee or
62 a majority of said board of directors shall notify the
63 commissioner of commerce that a vacancy can not be filled in the
64 manner therein provided, the commissioner shall have authority
65 to fill the vacancy from the membership of the credit union as
66 it existed at the time of the vote for liquidation. *

67 Subd. 2. Immediately after this meeting and before the
68 committee shall proceed with the liquidation, the officers of
69 the credit union shall file with the commissioner of commerce a
70 certified copy of the minutes of this meeting, a written
71 statement outlining the plan of liquidation, and a verified
72 statement, in writing, signed by a majority of the officers,

1 consenting to this liquidation containing the names and
 2 addresses of all officers and directors of the credit union.
 3 After the commissioner of commerce shall, by proper examination,
 4 determine that the credit union is solvent, he the commissioner *
 5 shall, within 60 days, issue a certificate of approval of the
 6 liquidation, which certificate shall be filed with the county
 7 recorder in the county where the credit union is located. A
 8 "solvent" credit union is one which is able to pay all of its
 9 debts and deposits. From and after this special meeting the
 10 credit union shall cease to do business except for purposes of
 11 liquidation. Before commencing the liquidation the committee
 12 shall execute and file with the commissioner of commerce a bond
 13 running to the state of Minnesota for the benefit of the members
 14 and creditors of the credit union in such amount and with such
 15 sureties and in such form as shall be approved by the
 16 commissioner of commerce, conditioned for the faithful
 17 performance of all duties of its trust. A bond may be waived in
 18 case of a bulk sale of assets to one or more purchasers upon
 19 terms approved by the commissioner of commerce. Such purchasers
 20 may include other credit unions or an association of credit
 21 unions.

22 No change for subd 3

23 Subd. 4. If the credit union shall not be completely
 24 liquidated and its assets discharged within three years after
 25 the special meeting of the members, the commissioner of commerce
 26 may take possession of the books, records and assets and proceed
 27 to complete liquidation. If the commissioner determines after
 28 one year from the commencement of liquidation proceedings that
 29 the liquidation is not proceeding in a reasonable and
 30 expeditious manner under all of the circumstances, he the *
 31 commissioner may take possession of the books, records, and *
 32 assets and appoint a liquidating agent who shall give a bond
 33 running to the state of Minnesota.

34 Subd. 5. Funds representing unclaimed dividends in
 35 liquidation in the hands of the liquidating committee or the
 36 commissioner of commerce for six months after date of final
 37 dividend, shall be deposited with the state treasurer, who
 38 shall, within one year thereafter, pay over the money so held by *
 39 ~~him~~ to the persons respectively entitled thereto upon being *
 40 furnished satisfactory evidence of their right to the same, and
 41 at the end of that year the state treasurer shall credit all
 42 residue of the deposit to the general fund.

43 There is hereby appropriated to the persons entitled to
 44 such amounts, from the funds or accounts in the state treasury
 45 to which the money was credited, an amount sufficient to make
 46 the payment.

47 No change for subd 6

052*#201S

48 52.201 REORGANIZING FEDERAL CREDIT UNION INTO STATE
 49 CREDIT UNION.

50 When any federal credit union authorized to convert to a
 51 state charter has taken the necessary steps under the federal
 52 law for that purpose, seven or more members, upon authority of
 53 two-thirds of the members present and entitled to vote and who
 54 shall have voted for such conversion at a regular or special
 55 meeting upon 14 days mailed written notice to each member at ~~his~~ *
 56 the member's last known address clearly stating that such *
 57 conversion is to be acted upon, and upon approval of the
 58 commissioner of commerce, may execute a certificate of
 59 incorporation under the provisions of the state credit union
 60 act, which, in addition to the other requirements of law, shall
 61 state the authority derived from the shareholders of such
 62 federal credit union; and upon recording such certificate as
 63 required by law, it shall become a legal state credit union and
 64 the members of the federal credit union shall without further
 65 action be members of the state credit union. Thereupon the
 66 assets of the federal credit union, subject to its liabilities
 67 not liquidated under the federal law before such incorporation,
 68 shall vest in and become the property of such state credit union
 69 and the members upon request shall be entitled to a new passbook
 70 showing existing share and loan balances. The commissioner of
 71 commerce shall approve or disapprove of the conversion within 60
 72 days of the date the proposal is presented ~~to him~~. *

052*#203S

73 52.203 MERGER.

74 Any credit union chartered by this state may merge with and

1 be absorbed by any other state or federal credit union, and any
 2 credit union chartered by this or any other state or any federal
 3 credit union may be merged into a successor credit union
 4 chartered by this state, upon approval of all regulatory
 5 agencies concerned, and upon compliance with this section as
 6 regards the credit union chartered by this state. At the time
 7 of filing with the commissioner of any proposed merger or
 8 consolidation plan, the credit unions proposing to merge or
 9 consolidate shall submit a fee of \$100 payable to the
 10 commissioner of commerce. The fee shall be paid in equal parts
 11 by the credit unions' party to the proposal.

12 A credit union may be absorbed after two-thirds of its
 13 members present and entitled to vote have voted in favor of the
 14 merger at a special meeting called by a majority of the board of
 15 directors for that purpose, upon 14-days mailed written notice
 16 to each member at ~~his~~ the member's last known address clearly *
 17 stating the purpose of the special meeting, or at any regular
 18 meeting after like notice of the purpose has been given.

19 Thereafter, the board of directors may execute an agreement of
 20 merger with the successor credit union, subject to approval of
 21 the agreement by the commissioner of commerce. The commissioner
 22 shall approve or disapprove of the agreement within 60 days of
 23 the date the agreement is submitted ~~to him~~. The approved *
 24 agreement must be filed with the secretary of state.

25 If the successor credit union which absorbs one or more
 26 credit unions is chartered by this state it may execute an
 27 agreement of merger upon approval of the agreement by the
 28 commissioner of commerce and by the board of directors of the
 29 credit union. The commissioner of commerce shall approve the
 30 merger agreement if it is in the best interest of the credit
 31 unions involved. In any event, the commissioner of commerce
 32 shall approve or disapprove of the merger agreement within 60
 33 days of the date the agreement is submitted ~~to him~~. Members of, *
 34 and persons eligible for membership in, the credit union being
 35 absorbed have all rights of membership in the successor credit
 36 union.

37 The charter and license and all other rights and property
 38 of the credit union being absorbed is deemed to be transferred
 39 to and invested in the successor credit union upon execution and
 40 approval of the merger agreement without further action. Any
 41 pending action or other judicial proceeding to which the credit
 42 union being absorbed is a party at the date of merger does not
 43 abate by reason of the merger. If the credit union being
 44 absorbed is chartered by this state, its corporate existence
 45 ceases upon the execution and approval of the merger agreement
 46 without further action.

052*#21S

47 52.21 CHANGE OF PLACE OF BUSINESS.

48 A credit union may change its place of business within this
 49 state only with the written consent of the commissioner of
 50 commerce. The commissioner of commerce shall consent, or give
 51 notice to the credit union of ~~his~~ failure to consent, within 60 *
 52 days of the date the request for a change of place of business
 53 is submitted ~~to him~~. *

053*#09S

54 53.09 EXAMINATIONS.

55 Subdivision 1. FREQUENCY AND EXPENSE. The
 56 commissioner shall make examinations, at least once every 18
 57 calendar months, of each authorized place of business of every
 58 industrial loan and thrift company organized or operating under
 59 this chapter, ~~at which time he shall~~ to satisfy himself the *
 60 commissioner that the corporation is in a solvent condition and *
 61 is complying with the requirements of this chapter and operating *
 62 according to sound business principles. In order to enforce ~~his~~ *
 63 actions in this connection, the commissioner is hereby vested *
 64 with the same authority as in ~~his~~ the examination and regulation *
 65 of state banks. The corporation so examined shall pay to the
 66 commissioner such fees as may be required under section 46.131.
 67 The commissioner may maintain an action for the recovery of such
 68 costs in any court of competent jurisdiction.

69 No change for subd .2 to 3

054*#294S

70 54.294 ANNUAL EXAMINATION; INFORMATIONAL REPORTS; COST
 71 OF EXAMINATION.

72 No change for subd 1

73 Subd. 2. Face amount certificate investment companies

1 subject to the supervision of the commissioner of commerce shall
 2 pay to the commissioner of commerce the actual necessary
 3 expenses incurred by the commissioner of commerce in the
 4 performance of his duties and the exercise of his powers of
 5 examination, including all salaries, wages, and expenses of
 6 examiners employed by the commissioner to make examinations
 7 provided for by law. In addition, such companies shall be
 8 assessed and shall pay examination fees in accordance with the
 9 provisions of section 46.131.

055*#01S

10 55.01 DEFINITIONS.

11 No change for subd 1 to 3

12 Subd. 4. "Person" means an individual, partnership,
 13 unincorporated association or a corporation. "It" includes "he
 14 , "she," and "they."

15 No change for subd 5

055*#095S

16 55.095 DUTIES OF COMMISSIONER OF COMMERCE.

17 Every safe deposit company is at all times under the
 18 supervision and subject to the control of the commissioner of
 19 commerce. ~~He shall, through his~~ The commissioner's
 20 examiners, shall visit at least once each year each safe deposit
 21 company licensed by him the commissioner to ascertain whether
 22 the safe deposit company is complying with the provisions of
 23 this chapter and whether its methods and systems are in
 24 accordance with law and designed to protect the property of
 25 persons doing business with it. For each examination he the
 26 commissioner shall charge the actual expenses of examination.
 27 If the commissioner of commerce determines that the safe deposit
 28 company is violating the provisions of this chapter, any law of
 29 the state, or has engaged or the commissioner has reason to
 30 believe that a licensee is about to engage in an unlawful,
 31 unsafe, or unsound practice in the conduct of its business, ~~he~~
 32 the commissioner may proceed pursuant to sections 46.24 to 46.33
 33 or serve notice on the safe deposit company of his intention to
 34 revoke the license, stating in general the grounds therefor and
 35 giving reasonable opportunity to be heard. If for a period of
 36 15 days after the notice, the violation continues, the
 37 commissioner of commerce may revoke the license and take
 38 possession of the business and property of the safe deposit
 39 company and maintain possession until the time the commissioner
 40 permits it to continue business, or its affairs are finally
 41 liquidated. The liquidation must proceed pursuant to sections
 42 49.04 to 49.32.

055*#10S

43 55.10 LIABILITY; EXEMPTIONS.

44 Subdivision 1. When a safe deposit box shall have been
 45 hired from any licensed safe deposit company in the name of two
 46 or more persons, including husband and wife, with the right of
 47 access being given to either, or with access to either or the
 48 survivor or survivors of the person, or property is held for
 49 safe-keeping by any licensed safe deposit company for two or
 50 more persons, including husband and wife, with the right of
 51 delivery being given to either, or with the right of delivery to
 52 either of the survivor or survivors of these persons, any one or
 53 more of these persons, whether the other or others be living or
 54 not, shall have the right of access to the safe deposit box and
 55 the right to remove all, or any part, of the contents thereof,
 56 or to have delivered to ~~him-or-them~~ all or any one of them, or
 57 any part of the valuable personal property so held for
 58 safe-keeping; and, in case of this access, removal, or delivery,
 59 the safe deposit company shall be exempt from any liability for
 60 permitting the access, removal, or delivery.

61 Subd. 2. Repealed, 1Sp1985 c 14 art 13 s 14

62 No change for subd 3

055*#11S

63 55.11 NOT CHARGED WITH NOTICE OF FIDUCIARY RELATION.

64 No such safe deposit company shall be obliged to ascertain
 65 or take notice of any trust or fiduciary relationship which the
 66 tenant of a safe deposit box may bear to the contents thereof,
 67 but shall be presumed to deal with the tenant of a box in an
 68 individual and not in a representative capacity, and shall be
 69 protected if it grants access to a box to the lessee thereof,
 70 according to the terms of his the contract of rental.

055*#13S

71 55.13 LIEN; REMEDIES.

1 Every licensed safe deposit company shall be entitled to
2 the following special remedies in enforcing the liability of
3 depositors and tenants:

4 (1) A ~~warehouseman's~~ warehouse operator's lien on property *
5 deposited; and

6 (2) A sale of the contents of any safe deposit box for the
7 non-payment of rental.

056*#01S

8 56.01 NECESSITY OF LICENSE.

9 (a) Except as authorized by this chapter and without first
10 obtaining a license from the commissioner, no person shall
11 engage in the business of making loans of money, credit, goods,
12 or things in action, in an amount or of a value not exceeding
13 that specified in section 56.131, subdivision 1, and charge,
14 contract for, or receive on the loan a greater rate of interest,
15 discount, or consideration than the lender would be permitted by
16 law to charge if ~~he-were~~ not a licensee under this chapter. *

17 (b) An agency or instrumentality of the United States
18 government or a corporation otherwise created by an act of the
19 United States Congress or a lender approved or certified by the
20 secretary of housing and urban development, or approved or
21 certified by the administrator of veterans affairs, or approved
22 or certified by the administrator of the farmers home
23 administration, or approved or certified by the federal home
24 loan mortgage corporation, or approved or certified by the
25 federal national mortgage association, that engages in the
26 business of purchasing or taking assignments of mortgage loans
27 and undertakes direct collection of payments from or enforcement
28 of rights against borrowers arising from mortgage loans, is not
29 required to be licensed under this chapter in order to purchase
30 or take assignments of mortgage loans from licensees under this
31 chapter.

056*#02S

32 56.02 APPLICATION FEE.

33 Application for license shall be in writing, under oath,
34 and in the form prescribed by the commissioner, and contain the
35 name and the address, both of the residence and place of
36 business, of the applicant and, if the applicant is a
37 copartnership or association, of every member thereof, and if a
38 corporation, of each officer and director thereof; also the
39 county and municipality, with street and number, if any, where
40 the business is to be conducted, and such further information as
41 the commissioner may require. The applicant at the time of
42 making application, shall pay to the commissioner the sum of
43 \$250 as a fee for investigating the application, and the
44 additional sum of \$150 as an annual license fee for a period
45 terminating on the last day of the current calendar year;
46 provided, that if the application is filed after June 30 in any
47 year the additional sum shall be only \$75. In addition to the
48 annual license fee, every licensee hereunder shall pay to the
49 commissioner the actual costs of each examination, as provided
50 for in section 56.10. All moneys collected by the commissioner
51 under this chapter shall be turned over ~~by-him~~ to the state *
52 treasurer and credited by the treasurer to the general fund of
53 the state.

54 Every applicant shall also prove, in form satisfactory to
55 the commissioner, that ~~he-or-it~~ the applicant has available for *
56 the operation of the business at the location specified in the
57 application, liquid assets of at least \$50,000.

056*#04S

58 56.04 INVESTIGATION; ISSUANCE OF LICENSE; DENIAL;
59 REFUNDS.

60 Upon the filing of the application and payment of these
61 fees, the commissioner shall investigate the facts, and if ~~he~~ *
62 the commissioner shall find (1) that the financial *
63 responsibility, experience, character, and general fitness of
64 the applicant, and of the members thereof if the applicant be a
65 copartnership or association, and of the person with direct
66 responsibility for the operation and management of the proposed
67 office are such as to command confidence and to warrant belief
68 that the business will be operated honestly, fairly, and
69 efficiently within the purposes of this chapter, and (2) that
70 the applicant has available for the operation of the business,
71 at the specified location, liquid assets of at least \$50,000
72 (the foregoing facts being conditions precedent to the issuance
73 of a license under this chapter), ~~he~~ the commissioner shall *

1 thereupon issue and deliver a license to the applicant to make
 2 loans, in accordance with the provisions of this chapter, at the
 3 location specified in the application. If the commissioner
 4 shall not so find, he the commissioner shall not issue a license *
 5 and he shall notify the applicant of the denial and return to *
 6 the applicant the sum paid by the applicant as a license fee,
 7 retaining the \$250 investigation fee to cover the costs of
 8 investigating the application. The commissioner shall approve
 9 or deny every application for license hereunder within 60 days
 10 from the filing thereof with the fees.

11 If the application is denied, the commissioner shall,
 12 within 20 days thereafter, file in ~~his~~ the commissioner's office *
 13 a written decision and findings with respect thereto containing
 14 the evidence and the reasons supporting the denial, and
 15 forthwith serve upon the applicant a copy thereof.

16 There is hereby appropriated to such persons as are
 17 entitled to such refund, from the fund or account in the state
 18 treasury to which the money was credited, an amount sufficient
 19 to make the refund and payment.

056*#07S

20 56.07 CONTROL OVER LOCATION.

21 Not more than one place of business shall be maintained
 22 under the same license, but the commissioner may issue more than
 23 one license to the same licensee upon compliance with all the
 24 provisions of this chapter governing an original issuance of a
 25 license, for each such new license. To the extent that
 26 previously filed applicable information remains substantially
 27 unchanged, the applicant need not refile this information,
 28 unless requested.

29 When a licensee shall wish to change ~~his~~ a place of *
 30 business, he the licensee shall give written notice thereof 30 *
 31 days in advance to the commissioner, who shall within 30 days of
 32 receipt of such notice, issue an amended license approving the
 33 change.

34 A licensed place of business shall be open during regular
 35 business hours each weekday, except for legal holidays and for
 36 any weekday the commissioner grants approval to the licensee to
 37 remain closed. A licensed place of business may be open on
 38 Saturday, but shall be closed on Sunday.

056*#09S

39 56.09 REVOCATION OF LICENSE.

40 The commissioner shall, upon ten days' notice to the
 41 licensee stating the contemplated action and in general the
 42 grounds therefor, and upon reasonable opportunity to be heard,
 43 revoke any license issued hereunder if he the commissioner shall *
 44 find that:

45 (1) The licensee has failed to pay the annual license fee
 46 required under the provisions of this chapter, or to comply with
 47 any demand, ruling, or requirement of the commissioner lawfully
 48 made pursuant to and within the authority of this chapter; or
 49 that

50 (2) The licensee has violated any material provision of
 51 this chapter or any rule or regulation lawfully made by the
 52 commissioner under and within the authority of this chapter; or
 53 that

54 (3) Any fact or condition exists which, if it had existed
 55 at the time of the original application for the license, clearly
 56 would have warranted the commissioner in refusing originally to
 57 issue the license.

58 The commissioner may, upon three days' notice and a
 59 hearing, suspend any license for a period not exceeding 30 days,
 60 pending investigation.

61 The commissioner may revoke or suspend only the particular
 62 license with respect to which grounds for revocation or
 63 suspension may occur or exist, or, if he the commissioner shall *
 64 find that the grounds for revocation or suspension are of *
 65 general application to all offices, or to more than one office,
 66 operated by the licensee, he the commissioner shall revoke or
 67 suspend all of the licenses issued to the licensee or the
 68 licenses as the grounds apply to, as the case may be.

69 Any licensee may surrender any license by delivering to the
 70 commissioner written notice that he the licensee thereby *
 71 surrenders the license, but the surrender shall not affect the
 72 licensee's civil or criminal liability for acts committed prior
 73 to the surrender.

74 No revocation or suspension or surrender of any license

1 shall impair or affect the obligation of any preexisting lawful
2 contract between the licensee and any borrower.

3 Every license issued hereunder shall remain in force and
4 effect until the same shall have been surrendered, revoked, or
5 suspended in accordance with the provisions of this chapter, but
6 the commissioner shall have authority, on ~~his~~ the commissioner's
7 own initiative, to reinstate suspended licenses or to issue new
8 licenses to a licensee whose license or licenses shall have been
9 revoked if no fact or condition then exists which clearly would
10 have warranted the commissioner in refusing originally to issue
11 the license under this chapter.

12 When the commissioner shall revoke or suspend a license
13 issued pursuant to this chapter, ~~he shall forthwith file in his~~
14 ~~office~~ a written order to that effect and findings with respect
15 thereto containing the evidence and the reasons supporting the
16 revocation or suspension shall be filed in the commissioner's
17 office, and a copy thereof forthwith ~~serve~~ served upon the
18 licensee ~~a copy thereof~~.

056*#10S

19 56.10 EXAMINATIONS.

20 For the purpose of discovering violations of this chapter
21 or securing information lawfully required by ~~him~~ the
22 commissioner hereunder, the commissioner may, at any time,
23 either personally or by a person or persons duly designated by
24 ~~him~~, investigate the loans and business and examine the books,
25 accounts, records, and files used therein, of every licensee and
26 of every person who shall be engaged in the business described
27 in section 56.01, whether the person shall act or claim to act
28 as principal or agent, or under or without the authority of this
29 chapter. For that purpose the commissioner and ~~his~~ a duly
30 designated representative shall have free access to the offices
31 and places of business, books, accounts, papers, records, files,
32 safes, and vaults of all such persons. The commissioner and all
33 persons duly designated by ~~him~~ shall have authority to require
34 the attendance of and to examine, under oath, all persons
35 whomsoever whose testimony ~~he~~ the commissioner may require
36 relative to the loan or the business or to the subject matter of
37 any examination, investigation, or hearing.

38 Each licensee shall pay to the commissioner such amount as
39 may be required under section 46.131, and the commissioner may
40 maintain an action for the recovery of such costs in any court
41 of competent jurisdiction.

056*#11S

42 56.11 BOOKS OF ACCOUNT; ANNUAL REPORT.

43 The licensee shall keep and use in ~~his~~ the licensee's
44 business such books, accounts, and records as will enable the
45 commissioner to determine whether the licensee is complying with
46 the provisions of this chapter and with the rules and
47 regulations lawfully made by the commissioner hereunder. Every
48 licensee shall preserve such books, accounts, and records,
49 including cards used in the card system, if any, for at least
50 two years after making the final entry on any loan recorded
51 therein. Accounting systems maintained in whole or in part by
52 mechanical or electronic data processing methods which provide
53 information equivalent to that otherwise required are acceptable
54 for this purpose.

55 Each licensee shall annually on or before the fifteenth day
56 of March, except in odd numbered years and then on or before the
57 seventh day of February, file a report with the commissioner
58 giving such relevant information as the commissioner reasonably
59 may require concerning the business and operations during the
60 preceding calendar year of each licensed place of business,
61 conducted by such licensee within the state. Such report shall
62 be made under oath and shall be in the form prescribed by the
63 commissioner, who shall make and publish annually an analysis
64 and recapitulation of such reports.

056*#12S

65 56.12 ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.

66 No licensee shall advertise, print, display, publish,
67 distribute, or broadcast, or cause or permit to be advertised,
68 printed, displayed, published, distributed, or broadcast, in any
69 manner any statement or representation with regard to the rates,
70 terms, or conditions for the lending of money, credit, goods, or
71 things in action which is false, misleading, or deceptive. The
72 commissioner may order any licensee to desist from any conduct
73 which ~~he~~ the commissioner shall find to be a violation of the

1 foregoing provisions.

2 The commissioner may require that rates of charge, if
3 stated by a licensee, be stated fully and clearly in such manner
4 as ~~he~~ the commissioner may deem necessary to prevent *
5 misunderstanding thereof by prospective borrowers. In lieu of
6 the disclosure requirements of this section and section 56.14, a
7 licensee may give the disclosures required by the federal
8 Truth-in-Lending Act.

9 A licensee may take a lien upon real estate as security for
10 any loan exceeding \$2,700 in principal amount made under this
11 chapter. The provisions of sections 47.20 and 47.21 do not
12 apply to loans made under this chapter, except as provided in
13 this section. No loan secured by a first lien on a borrower's
14 primary residence shall be made pursuant to this section if the
15 proceeds of the loan are used to finance the purchase of the
16 borrower's primary residence, unless:

17 (1) the proceeds of the loan are used to finance the
18 purchase of a manufactured home; or

19 (2) the proceeds of the loan are used in whole or in part
20 to satisfy the balance owed on a contract for deed. The rate of
21 interest charged on such a loan made after August 1, 1987, shall
22 not exceed the rate provided in section 47.20, subdivision 4a.

23 If the proceeds of the loan are used to finance the
24 purchase of the borrower's primary residence, the licensee shall
25 consent to the subsequent transfer of the real estate if the
26 existing borrower continues after transfer to be obligated for
27 repayment of the entire remaining indebtedness. The licensee
28 shall release the existing borrower from all obligations under
29 the loan instruments, if the transferee (1) meets the standards
30 of credit worthiness normally used by persons in the business of
31 making loans, including but not limited to the ability of the
32 transferee to make the loan payments and satisfactorily maintain
33 the property used as collateral, and (2) executes an agreement
34 in writing with the licensee whereby the transferee assumes the
35 obligations of the existing borrower under the loan
36 instruments. Any such agreement shall not affect the priority,
37 validity or enforceability of any loan instrument. A licensee
38 may charge a fee not in excess of one-tenth of one percent of
39 the remaining unpaid principal balance in the event the loan is
40 assumed by the transferee and the existing borrower continues
41 after the transfer to be obligated for repayment of the entire
42 assumed indebtedness. A licensee may charge a fee not in excess
43 of one percent of the remaining unpaid principal balance in the
44 event the remaining indebtedness is assumed by the transferee
45 and the existing borrower is released from all obligations under
46 the loan instruments, but in no event shall the fee exceed \$150.

47 A licensee making a loan under this chapter secured by a
48 lien on real estate shall comply with the requirements of
49 section 47.20, subdivision 8.

50 No licensee shall conduct the business of making loans
51 under this chapter within any office, room, or place of business
52 in which any other business is solicited or engaged in, or in
53 association or conjunction therewith, if the commissioner finds
54 that the character of the other business is such that it would
55 facilitate evasions of this chapter or of the rules and
56 regulations lawfully made hereunder. The commissioner may
57 promulgate rules dealing with such other businesses.

58 No licensee shall transact the business or make any loan
59 provided for by this chapter under any other name or at any
60 other place of business than that named in the license. No
61 licensee shall take any confession of judgment or any power of
62 attorney. No licensee shall take any note or promise to pay
63 that does not accurately disclose the principal amount of the
64 loan, the time for which it is made, and the agreed rate or
65 amount of charge, nor any instrument in which blanks are left to
66 be filled in after execution. Nothing herein is deemed to
67 prohibit the making of loans by mail.

056*#131S

68 56.131 MAXIMUM RATES AND CHARGES.

69 No change for subd 1 to 3

70 Subd. 4. ADJUSTMENT OF DOLLAR AMOUNTS. (a) The
71 dollar amounts in this section, sections 56.01 and 56.12 shall
72 change periodically, as provided in this section, according to
73 and to the extent of changes in the implicit price deflator for
74 the gross national product, 1972 = 100, compiled by the United
75 States Department of Commerce, and hereafter referred to as the

1 index. The index for December, 1980 is the reference base index
 2 for adjustments of dollar amounts, except that the index for
 3 December, 1984 is the reference base index for the minimum
 4 default charge of \$4.

5 (b) The designated dollar amounts shall change on July 1 of
 6 each even-numbered year if the percentage of change, calculated
 7 to the nearest whole percentage point, between the index for
 8 December of the preceding year and the reference base index is
 9 ten percent or more, but;

10 (1) the portion of the percentage change in the index in
 11 excess of a multiple of ten percent shall be disregarded and the
 12 dollar amounts shall change only in multiples of ten percent of
 13 the amounts appearing in Laws 1981, chapter 258 on the date of
 14 enactment; and

15 (2) the dollar amounts shall not change if the amounts
 16 required by this section are those currently in effect pursuant
 17 to Laws 1981, chapter 258 as a result of earlier application of
 18 this section.

19 (c) If the index is revised, the percentage of change
 20 pursuant to this section shall be calculated on the basis of the
 21 revised index. If a revision of the index changes the reference
 22 base index, a revised reference base index shall be determined
 23 by multiplying the reference base index then applicable by the
 24 rebasing factor furnished by the department of commerce. If the
 25 index is superseded, the index referred to in this section is
 26 the one represented by the department of commerce as reflecting
 27 most accurately changes in the purchasing power of the dollar
 28 for consumers.

29 (d) The commissioner shall announce and publish:

30 (1) on or before April 30 of each year in which dollar
 31 amounts are to change, the changes in dollar amounts required by
 32 paragraph (b); and

33 (2) promptly after the changes occur, changes in the index
 34 required by paragraph (c) including, if applicable, the
 35 numerical equivalent of the reference base index under a revised
 36 reference base index and the designation or title of any index
 37 superseding the index.

38 (e) A person does not violate this chapter with respect to
 39 a transaction otherwise complying with this chapter if he that
 40 person relies on dollar amounts either determined according to
 41 paragraph (b), clause (2) or appearing in the last publication
 42 of the commissioner announcing the then current dollar amounts.

43 (f) The adjustments provided in this section shall not be
 44 affected unless explicitly provided otherwise by law.

45 No change for subd 5 to 6

056*#15S

46 56.15 LIMITATION ON AMOUNT OF CHARGES.

47 Subdivision 1. No licensee shall directly or indirectly,
 48 charge, contract for, or receive any interest, discount,
 49 charges, or consideration greater than the lender would be
 50 permitted by law to charge if he the lender were not a licensee
 51 hereunder upon the loan, use or forbearance of money, goods, or
 52 things in action, or upon the loan, use or sale of credit, of
 53 the amount or value of more than that regulated by this
 54 chapter. The foregoing prohibition shall also apply to any
 55 licensee who permits any person, as borrower, or otherwise, to
 56 owe, directly or contingently, or both, to the licensee at any
 57 time a sum of more than that regulated by this chapter for
 58 principal.

59 Subd. 2. Repealed, 1981 c 258 s 23

056*#155S

60 56.155 INSURANCE IN CONNECTION WITH LOAN.

61 Subdivision 1. AUTHORIZATION. No licensee shall,
 62 directly or indirectly, sell or offer for sale any insurance in
 63 connection with any loan made under this chapter except as and
 64 to the extent authorized by this section. The sale of credit
 65 life and credit accident and health insurance is subject to the
 66 provisions of chapter 62B, except that the term of the insurance
 67 may exceed 60 months if the term of the loan exceeds 60 months.
 68 Life, accident, and health insurance, or any of them, may be
 69 written upon or in connection with any loan but must not be
 70 required as additional security for the indebtedness. If the
 71 debtor chooses to procure credit life insurance or credit
 72 accident and health insurance as security for the indebtedness,
 73 he the debtor shall have the option of furnishing this security
 74 through existing policies of insurance ~~owned-or-controlled-by~~

1 ~~him~~ that the debtor owns or controls, or of furnishing the *
 2 coverage through any insurer authorized to transact business in
 3 this state. A statement in substantially the following form
 4 must be made orally and provided in writing in bold face type of
 5 a minimum size of 12 points to the borrower before the
 6 transaction is completed for each credit life and accident and
 7 health insurance coverage sold:

8 CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE
 9 ARE NOT REQUIRED TO OBTAIN CREDIT. YOU MAY BUY ANY
 10 INSURANCE FROM ANYONE YOU CHOOSE OR YOU MAY USE EXISTING
 11 INSURANCE.

12 The licensee shall disclose whether or not the benefits
 13 commence as of the first day of disability and shall further
 14 disclose the number of days that an insured obligor must be
 15 disabled, as defined in the policy, before benefits, whether
 16 retroactive or nonretroactive, commence. In case there are
 17 multiple obligors under a transaction subject to this chapter,
 18 no policy or certificate of insurance providing credit accident
 19 and health benefits may be procured by or through a licensee
 20 upon more than one of the obligors. In case there are multiple
 21 obligors under a transaction subject to this chapter, no policy
 22 or certificate of insurance providing credit life insurance may
 23 be procured by or through a licensee upon more than two of the
 24 obligors in which case they shall be insured jointly. The
 25 premium or identifiable charge for the insurance must not exceed
 26 that filed by the insurer with the department of commerce. The
 27 charge, computed at the time the loan is made for a period not
 28 to exceed the full term of the loan contract on an amount not to
 29 exceed the total amount required to pay principal and charges,
 30 may be deducted from the proceeds or may be included as part of
 31 the principal of any loan. If a borrower procures insurance by
 32 or through a licensee, the statement required by section 56.14
 33 must disclose the cost to the borrower and the type of
 34 insurance, and the licensee shall cause to be delivered to the
 35 borrower a copy of the policy, certificate, or other evidence
 36 thereof, within a reasonable time. No licensee shall decline
 37 new or existing insurance which meets the standards set out in
 38 this section nor prevent any obligor from obtaining this
 39 insurance coverage from other sources. Notwithstanding any
 40 other provision of this chapter, any gain or advantage to the
 41 licensee or to any employee, affiliate, or associate of the
 42 licensee from this insurance or the sale or provision thereof is
 43 not an additional or further charge in connection with the loan;
 44 nor are any of the provisions pertaining to insurance contained
 45 in this section prohibited by any other provision of this
 46 chapter.

47 Subd. 2. PROPERTY INSURANCE. A licensee may require
 48 the obligors to provide insurance on real or personal property
 49 security against reasonable risks of loss, damage, and
 50 destruction. The amount and term of the insurance shall be
 51 reasonable in relation to the value of the security, but the
 52 amount and term of the insurance shall not exceed the principal
 53 amount of the loan and term of the loan, except that the lender
 54 may insure or arrange for insurance not to exceed the reasonable
 55 value of any motor vehicle collateral. The restrictions
 56 contained in this subdivision shall not apply to the sale or
 57 provision of homeowner's insurance as defined in section 65A.27.
 58 In all cases when insurance is offered the obligor shall be
 59 informed that he the obligor has the option of providing *
 60 insurance through existing policies of insurance owned-or *
 61 controlled-by-him that the obligor owns or controls, or by *
 62 procuring and furnishing the offered coverage through any
 63 insurer authorized to transact an insurance business within this
 64 state. The purchase of such insurance through the licensee or
 65 from an agent, broker, or insurer specified by the licensee
 66 shall not be required.

056*#17S

67 56.17 LIMITATION; ASSIGNMENT OF WAGES; SECURITY
 68 AGREEMENT.

69 No assignment of, or order for payment of, any salary,
 70 wages, commissions, or other compensation for services earned or
 71 to be earned, given to secure any loan made by any licensee
 72 under this chapter, shall be valid unless the principal amount
 73 of the loan is \$1,200 or less and is paid to the borrower
 74 simultaneously with its execution; nor shall any assignment or
 75 order, or any security agreement or other lien on household

1 furniture then in the possession and use of the borrower, be
 2 valid unless it is in writing, signed in person by the borrower,
 3 nor if the borrower is married, unless it is signed in person by
 4 both husband and wife; provided, that written assent of a spouse
 5 shall not be required when husband and wife have been living
 6 separate and apart for a period of at least five months prior to
 7 the making of the assignment, order, security agreement, or lien.

8 Under any assignment or order for the payment of future
 9 salary, wages, commissions, or other compensation for services,
 10 given as security for a loan made by any licensee under this
 11 chapter, a sum not to exceed ten percent of the borrower's
 12 salary, wages, commissions, or other compensation for services
 13 shall be collectible from the employer of the borrower by the
 14 licensee at the time for each payment to the borrower of salary,
 15 wages, commissions, or other compensation for services, from the
 16 time that a copy of the assignment, verified by the oath of the
 17 licensee or his the licensee's agent, together with a similarly
 18 verified statement of the amount unpaid upon the loan and a
 19 printed copy of this section is served upon the employer;
 20 provided, that this section shall not be construed as giving the
 21 assignee any greater rights than ~~he~~-has those under section
 22 181.05.

056*#18S

23 56.18 UNLICENSED PERSONS NOT TO MAKE LOANS.

24 No person, except as authorized in this chapter, shall,
 25 directly or indirectly, charge, contract for, or receive any
 26 interest, discount, or consideration greater than the lender
 27 would be permitted by law to charge if ~~he~~ that person were not
 28 authorized hereunder upon the loan, use, or forbearance of
 29 money, goods, or things in action, or upon the loan, use, or
 30 sale of credit of the amount regulated by this chapter.

31 The foregoing prohibition shall apply to any person who, by
 32 any device, subterfuge, or pretense, shall charge, contract for,
 33 or receive greater interest, consideration, or charges than is
 34 authorized by this chapter for any such loan, use or forbearance
 35 of money, goods, or things in action, or for any such loan, use
 36 or sale of credit.

37 No loan made by a person not authorized hereunder in an
 38 amount regulated by this chapter for which a greater rate of
 39 interest, consideration, or charges than is permitted by the
 40 laws of this state has been charged, contracted for, or
 41 received, wherever made, shall be enforced by a licensee in this
 42 state, and every person in anywise participating therein in this
 43 state shall be subject to the provisions of this chapter,
 44 provided, that the foregoing shall not apply to loans legally
 45 made in another state.

056*#25S

46 56.25 LICENSEE TO BE RESPONSIBLE.

47 The licensee hereunder shall, at all times, be beholden and
 48 liable to the commissioner for all acts and proceedings taken by
 49 ~~his~~ assignees, assigns, endorsees, and transferees in enforcing,
 50 and as to the method of enforcing, collection of any obligation
 51 taken hereunder, as fully and to the same extent as though the
 52 same were taken by the licensee hereunder.

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