

(20) In addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner.

Subd. 2. **STATE CHARTERED CREDIT UNIONS.** The commissioner of banks may by rule authorize a state chartered credit union to engage in any activity in which the credit union could engage were it operating as a federally chartered credit union provided that the activity is not expressly prohibited by the laws of this state ~~and was permitted by law or rule as of June 1, 1977.~~

Sec. 2. Minnesota Statutes 1980, Section 52.19, is amended to read:

52.19 EXPULSION OR WITHDRAWAL OF MEMBERS.

A member may be expelled by a two-thirds vote of the members present at a special meeting called to consider the matter, but only after a hearing. Any member may withdraw from the credit union at any time, but notice of withdrawal may be required. All amounts paid on shares or as deposits of an expelled or withdrawing member, with any dividends or interest accredited thereto, to the date thereof, shall, as funds become available and after deducting all amounts due from the member to the credit union and an amount as necessary to honor outstanding share drafts drawn against the accounts of the member, be paid to him. The credit union may require 60 days' notice of intention to withdraw shares and 30 days' notice of intention to withdraw deposits, except that a credit union shall not at any time require notice of withdrawal of funds subject to withdrawal by share drafts. Withdrawing or expelled members shall have no further right in the credit union, but are not, by the expulsion or withdrawal, released from any remaining liability to the credit union.

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 are effective the day following final enactment.

Approved May 29, 1981

CHAPTER 317 — S.F.No. 660

An act relating to local government; providing for adoption of certain joint cable franchises; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 238.08, Subdivision 5; 375.58, Subdivision 3; and 375.62.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

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

Section 1. Minnesota Statutes 1980, Section 238.08, Subdivision 5, is amended to read:

Subd. 5. Municipalities may by ordinance or resolution create a joint cable communications commission under section 471.59, to which each member municipality may delegate authority vested in the municipality by statute or charter to prepare, adopt, grant, administer, and enforce a cable communications franchise, and establish rates thereunder. The adoption, granting, administration and enforcement of a cable communications franchise, and the establishment of rates thereunder by a joint cable communications commission, pursuant to this subdivision is deemed to comply with procedural requirements of a statute or charter for the adoption, granting, administration and enforcement of a franchise, and establishment of rates. A member of the commission may, by ordinance adopted in the manner provided by section 412.191, subdivision 4, adopt by reference the joint cable communication franchise in the manner provided by section 471.62. The members and governing body of the joint commission shall consist of two representatives appointed by each municipality, at least one of whom shall be a member of the council of that municipality and the other a qualified voter residing within that municipality.

Sec. 2. Minnesota Statutes 1980, Section 375.58, Subdivision 3, is amended to read:

Subd. 3. At the option of the county board, the following positions may be excluded from the jurisdiction of the county personnel department:

(a) Any or all positions subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012;

(b) Positions designated as temporary or seasonal;

(c) Positions held by special deputies and volunteers serving without pay;

(d) Positions held by students in training.

Sec. 3. Minnesota Statutes 1980, Section 375.62, is amended to read:

375.62 CIVIL SERVICE AND MERIT SYSTEM RELATIONSHIPS.

Unless a county board has elected to exclude any or all positions otherwise subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012, from the jurisdiction of the personnel department, the provisions of sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012 and any rules and regulations promulgated pursuant to those sections shall be superseded insofar as they are inconsistent; provided that no positions subject

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

to merit systems established pursuant to sections 12.22, subdivision 3; 144.071; and ~~393.07, subdivision 5~~ 256.012, shall be removed from existing merit system coverage and placed under a personnel department established pursuant to sections 375.56 to 375.71, until that personnel department is certified by the ~~United States Civil Service Commission as meeting the operating standards of a merit system in accordance with the United States office of personnel management's standards for a merit system of personnel administration.~~ Nothing in section 387.43, shall be construed to prohibit the inclusion of sheriff's department personnel in a personnel system established pursuant to sections 375.56 to 375.69.

Sec. 4. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Approved May 29, 1981

CHAPTER 318 — S.F.No. 665

An act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
MEDICARE SUPPLEMENT INSURANCE**

Section 1. [62A.31] MEDICARE SUPPLEMENT BENEFITS; MINIMUM STANDARDS.

Subdivision 1. POLICY REQUIREMENTS. No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance issued or delivered in this state shall be sold or issued to an individual age 65 or older covered by medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2;

(b) The policy must cover pre-existing conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage;

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured; and

Changes or additions are indicated by underline, deletions by strikethrough.