

CHAPTER 604—H. F. No. 269

[Not Coded]

An act relating to any city of the first class now or hereafter operating under a home rule charter providing for a commission form of government consisting of a mayor, a comptroller, and six commissioners, and authorizing the fixing and payment of the annual salaries of such officials.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Salaries of St. Paul city officers. Beginning July 1, 1949, notwithstanding any provision contained in any charter of any city of the first class now or hereafter operating under a home rule charter providing for a commission form of government, consisting of a Mayor, a Comptroller, and six Commissioners, the Mayor shall be paid an annual salary of \$7,500, the Comptroller shall be paid an annual salary of \$7,000, and the Commissioners shall each be paid an annual salary of \$6,500, all payable in equal monthly installments.

Sec. 2. Ineffective upon charter amendment. This act shall be superseded and rendered ineffective from and after the effective date of the adoption hereafter of any amendment to the charter of any such city increasing or decreasing any such salaries.

Approved April 22, 1949.

CHAPTER 605—H. F. No. 323

[Coded as Section 268.231]

An act relating to unemployment compensation, amending Minnesota Statutes 1945, Section 268.04, Subdivision 9; Section 286.05, Subdivision 3; Section 268.06, Subdivision 2 and Subdivision 5 as amended, and Subdivisions 8 and 19, and Subdivisions 22 and 24 as amended; Section 268.07, Subdivision 2, and Subdivision 3 as amended; Section 268.08, Subdivision 1; Section 268.11, Subdivision 3 as amended; Section 268.14, Subdivision 4; Section 268.16, Subdivision 1 and 3; Section 268.23; and repealing Minnesota Statutes 1945, Section 268.06, Subdivisions 7, 9, 10 and 17, and Section 268.12, Subdivision 14.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Minnesota Statutes 1945, Section 268.04, Subdivision 9, is amended to read :

268.04. **Definitions.** Subd. 9. "*Employing unit*" means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor of any of the foregoing, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had in its employ one or more individuals performing services for it. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of sections 268.03 to 268.24. Each individual employed to perform or assist in performing the work of any agent or individual employed by an employing unit shall be deemed to be employed by such employing unit for all the purposes of sections 268.03 to 268.24 whether such individual was hired or paid directly by such employing unit or by such agent or individual, provided the employing unit had actual or constructive knowledge of such work.

Sec. 2. Minnesota Statutes 1945, Section 268.05, Subdivision 3, is amended to read :

268.05. **Unemployment compensation fund.** Subd. 3. **Withdrawals.** (1) Moneys requisitioned from this state's account in the unemployment trust fund shall be used exclusively for the payment of benefits and for refunds pursuant to Sections 268.16, Subdivision 6, and 268.04, Subdivision 12, clause (6) (f). The director, or his duly authorized agent for that purpose, shall from time to time requisition from the unemployment trust fund such *amounts*, not exceeding the amount standing to this state's account therein, as he deems necessary for the payment of such benefits and refunds for a reasonable future period. Upon receipt thereof the treasurer shall deposit such moneys in the benefit account and issue his warrants for the payment of benefits solely from such benefit account. Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations or other formal release by state officers of money in their custody.

All warrants issued by the treasurer for the payment of benefits and refunds shall bear the signature of the treasurer and the counter signature of the director or his duly authorized agent for that purpose. *The director is also hereby authorized to requisition and receive from this state's account in the unemployment trust fund in the Treasury of the United States of America such monies as have been added to its credit in said fund and made available to it by federal law for the expense of administering this act, which moneys he shall deposit in the employment and security administration fund, and to expend such monies for such purposes and in such amounts and manner as authorized by state and federal law.*

(2) Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits and refunds during succeeding periods or, in the discretion of the director, shall be redeposited with the Secretary of the Treasury of the United States, to the credit of this state's account in the unemployment trust fund, as provided in subdivision 2 of this section.

Sec. 3. Minnesota Statutes 1945, Section 268.06, Subdivision 5, as amended by Laws 1947, Chapter 432, is amended to read:

268.06. Contributions from employers. Subd. 5. Notifications. (1) Benefits paid to an individual pursuant to a valid claim filed subsequent to June 30, 1941, shall be charged against the account of his employer as and when paid, except that benefits paid to an individual who during his base period earned wages for part time employment with an employer who continues to give the employee part time employment substantially equal to the part time employment previously furnished such employee by such employer or any benefits paid to an individual subsequent to his serving a period of disqualification for refusal to accept re-employment from his base period employer shall not be charged to such employer's account. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wage credits of the individual earned from such employer bear to the total amount of base period wage credits of the individual earned from all his base period employers.

(2) *When, however, the base period earnings of an individual to whom Benefits are paid are less than \$300 from any given employer, then the proportional benefits which would ordinarily be charged to such employer shall not be charged to him, except that this provision shall not apply if the director finds that the employment practices of an employer result in his separation of employees for whom work is available solely for the purpose of evading charges to his account.*

In making computations under this provision, the amount of wage credits if not a multiple of \$1.00, shall be computed to the nearest multiple of \$1.00.

Sec. 4. Minnesota Statutes 1945, Section 268.06, Subdivision 8, is amended to read:

268.06. Subd. 8. **Adjustments.** *For the year 1949 and for each calendar year thereafter the director shall determine the contribution rate of each employer on the basis of the relationship of his experience ratio to the contribution rates in accordance with the following schedule of rate categories. When the total amount of money in the account of this State in the unemployment trust fund amounts to \$50,000,000 or less at the close of business on June 30 of the calendar year preceding the rate year, then the rates in column (A) shall apply. When the amount of money in the account of this State in the unemployment trust fund amounts to more than \$50,000,000 but less than \$100,000,000 at the close of business on June 30 of the calendar year preceding the rate year, then the rates in column (B) shall apply. When the amount of money in the account of this State in the unemployment trust fund amounts to \$100,000,000 or more at the close of business on June 30 of the calendar year preceding the rate year, then the rates in column (C) shall apply.*

Category	Ratio		Contribution Rates (Percentage of Wages)		
	From	To	(A)	(B)	(C)
1	Zero Ratio	Employers	.06	.30	.10
2	.00001	.00099	.80	.50	.30
3	.00100	.00139	1.00	.70	.50

4	.00140	.00179	1.20	.90	.70
5	.00180	.00219	1.40	1.10	.90
6	.00220	.00259	1.60	1.30	1.10
7	.00260	.00299	1.80	1.50	1.30
8	.00300	.00339	2.00	1.70	1.50
9	.00340	.00379	2.20	1.90	1.70
10	.00380	.00419	2.40	2.10	1.90
11	.00420	.00459	2.60	2.30	2.10
12	.00460	.00499	2.80	2.50	2.30
13	.00500	.00539	3.00	2.70	2.50
14	1.00540	99.99999	3.00	2.70	2.70

Sec. 5. Minnesota Statutes 1945, Section 268.06, Subdivision 19, is amended to read:

268.06. Subd. 19. **Notice of rate.** The director shall *mail to each employer notice* of his rate of contributions as determined for any calendar year pursuant to this section. Such notice shall contain the contribution rate, the factor used in determining the individual employer's experience rating, and such other information as the director may prescribe. Unless reviewed in the manner hereinafter provided, the rate as determined or as modified by a redetermination, a decision of a referee, or the director shall be final except for fraud and shall be the rate upon which contributions shall be computed for the calendar year for which such rate was determined, and shall not be subject to collateral attack for any errors, clerical or otherwise, whether by way of claim for adjustment or refund, or otherwise.

Sec. 6. Minnesota Statutes 1945, Section 268.06, Subdivision 24, as amended by Laws 1947, Chapter 432, is amended to read:

268.06. Subd. 24. **Reassignment.** Notwithstanding any other inconsistent provisions of law any employer who has been assigned a contribution rate pursuant to Subdivision 4 of this section may, for the calendar year 1949, or any calendar year thereafter, upon the voluntary payment of an amount *equivalent to any portion or all of the benefits charged to his*

account during the thirty-six month period ending June 30 of the preceding year, obtain a cancellation of benefits charged to his account during such period equal to such payment so voluntarily made. Upon the payment of such voluntary contribution within 30 days from the date of the mailing to the employer of the notice of his contribution rate as prescribed in this section, the director shall cancel the benefits equal to such payment so voluntarily made and compute a new experience ratio for such employer. The employer then shall be assigned the contribution rate applicable to the category within which his recomputed experience ratio is included. In the event that the employer fails to make the voluntary contribution within the 30 day period above specified and it is shown by proper evidence that such failure was, in the opinion of the director, for good cause, the director may extend the time for payment but in no event shall the director extend such time for payment beyond the expiration of a period of 120 days from the beginning of the year for which such rates are effective. Any adjustments under this subdivision shall be used only in the form of credits against accrued or future contributions.

Sec. 7. Minnesota Statutes 1945, Section 268.07, Subdivision 2, is amended to read:

268.07. Benefits payable; time payable. Subd. 2. **Maximum amounts.** (1) An individual's maximum amount of benefits payable during his benefit year and weekly benefit amount shall be the amounts appearing in column B and C respectively in the table in this subdivision on the line on which in column A of such table there appear the total wage credits accruing in his base period for insured work.

A	B	C
Wage Credits in Base Period	Total Maximum Amount of Benefits Payable During a Benefit Year	Weekly Benefit Amount
Under \$300	None	None
\$300— \$349.99	\$140.00	\$10.00
350— 449.99	165.00	11.00
450— 549.99	216.00	12.00
550— 649.99	234.00	13.00

650—	749.99	252.00	14.00
750—	849.99	270.00	15.00
850—	949.99	288.00	16.00
950—	1,049.99	304.00	16.00
1,050—	1,149.99	323.00	17.00
1,150—	1,249.99	342.00	18.00
1,250—	1,349.99	361.00	19.00
1,350—	1,499.99	400.00	20.00
1,500—	1,749.99	420.00	21.00
1,750—	2,049.99	462.00	22.00
2,050—	2,349.99	529.00	23.00
2,350—	2,749.99	576.00	24.00
2,750—	<i>and over</i>	625.00	25.00

(2) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, payable to him with respect to such week which is in excess of \$3.00. Such benefit, if not a multiple of \$1.00, shall be computed to the next higher multiple of \$1.00.

Sec. 8. Minnesota Statutes 1945, Section 268.07, Subdivision 3, as amended by Laws 1947, Chapter 432, is amended to read:

268.07. Subd. 3. **Wage credits.** (1) The wage credits of an individual earned in employment with base period employers during the period commencing with the end of the base period and ending on the date on which he filed a valid claim shall not be available for benefit purposes, in a subsequent benefit year unless, in addition thereto, such individual has earned, in any part of the third and fourth quarters of the base period upon which the benefits for such subsequent benefit year are based, an amount equivalent to at least four times his current weekly benefit amount. *A claim filed sufficiently in advance of anticipated unemployment to make the limitations of this clause ineffective shall be invalid. It is the purpose of this clause to prevent any individual from receiving*

benefits in more than one benefit year as a result of one separation from work.

(2) No employer who provided 90% or more of the wage credits in a claimant's base period shall be charged for benefits paid based upon earnings of such claimant during the next four calendar quarters following such base period unless he has employed such claimant in any part of the third and fourth quarters of such subsequent period.

Sec. 9. Minnesota Statutes 1945, Section 268.08, Subdivision 1, is amended to read:

268.08. Who are eligible to receive benefits. Subdivision 1. **When.** An individual shall be eligible to receive benefits with respect to any week of unemployment only if the director finds that:

(1) He has registered for work at and thereafter has continued to report to an employment office, or agent of such office, in accordance with such regulations as the director may prescribe; except that the director may by regulation waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which he finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of Sections 268.03 to 268.24;

(2) He has made a claim for benefits in accordance with such regulations as the director may prescribe;

(3) ~~He was able to work and was available for work, provided that an individual's weekly benefit amount shall be reduced one-fifth for each day such individual is unable to work or unavailable for work;~~

(4) He has been unemployed for a waiting period of *one* week during which he is otherwise eligible for benefits under Sections 268.03 to 268.24. No individual shall be required to serve a waiting period of more than *one* week within the one year period subsequent to filing a valid claim and commencing with the week within which such valid claim was filed.

Sec. 10. Minnesota Statutes 1945, Section 268.11, Subdivision 3, as amended by Laws 1947, Chapter 600, is amended to read:

268.11. Employer's coverage. Subd.3. Employing unit elected to become an employer. (1) An employing unit, not otherwise subject to Sections 268.03 to 268.24 as an employer, which files with the director its written election to become an employer subject thereto for not less than two calendar years, shall, with the written approval of such election by the director, become an employer subject hereto to the same extent as all other employers, as of the date stated in such approval and cease to be subject hereto as of the first day of January of any calendar year subsequent to such two calendar years, only, if at least 30 days prior to such first day of January, it has filed with the director a written notice to that effect;

(2) Any employing unit for which services that do not constitute employment are performed, may file with the director a written election that all such service performed by individuals in its employ in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of Sections 268.03 to 268.24 for not less than two calendar years. Upon the written approval of such election by the director, such services shall be deemed to constitute employment subject to these sections from and after the date stated in such approval. Such services shall cease to be deemed employment subject hereto as of the first day of January of any calendar year subsequent to such two calendar years only if at least 30 days prior to such first day of January such employing unit has filed with the director a written notice to that effect.

The director in his discretion may on his own motion terminate any election agreement under this subdivision upon 30 days notice to the employer.

Sec. 11. Minnesota Statutes 1945, Section 268.14, Subdivision 4, is amended to read:

268.14. Free employment offices established. Subd. 4. Auxiliary offices. The director may establish auxiliary employment offices and may, notwithstanding any other law to the contrary, employ individuals *as agents or as employment security representatives* on a part time or temporary basis to perform services in such offices and for related purposes, compensate such individuals for such services, and reimburse such individuals for necessary expenses incurred by them in the performance of such services. Such individuals shall serve at the pleasure of the director. *The employment of such*

individuals, however, shall not be subject to the various provisions of the Minnesota civil service law nor shall such individuals by reason of such employment become members of the state employees retirement association.

Sec. 12. Minnesota Statutes 1945, Section 268.16, Subdivision 1, is amended to read:

268.16. Collection of contributions. Subdivision 1. **Interest on past due contributions.** If contributions are not paid on the date on which they are due and payable, as prescribed by the director, the whole or part thereafter remaining unpaid shall bear interest at the rate of one per cent per month from and after such date until *the first day of the calendar month during which* payment is made to the division of employment and security, *provided, however, that during the first month of delinquency interest shall be computed on the basis of one-thirtieth of one per cent per month for each and every day of such delinquency.* After any contribution has become delinquent for a period of 12 months thereafter interest thereon shall be computed at the rate of six per cent per annum. Contributions, if mailed, shall be deemed to have been paid on the date of mailing as indicated by the postmark on the cover thereof. Interest collected pursuant to this subdivision shall be paid into the contingent fund.

Sec. 12. [13] Minnesota Statutes 1945, Section 268.16, Subdivision 3, is amended to read:

268.16. Subd. 3. Collection. (1) If, after due notice, any employer defaults in any payment of contributions or interest due thereon or penalties for failure to file returns and other reports as and when required by the provisions of Sections 268.03 to 268.24 or by any rule or regulation of the director, the amount due shall be collected by civil action in the name of the State of Minnesota, and any money recovered on account thereof shall be credited to the funds provided for under the provisions of these sections. This remedy shall be in addition to such other remedies as may be herein provided or otherwise provided by law, and the employer adjudged in default shall pay the costs of such action. Civil actions brought under this section to collect contributions, interest due thereon, or penalties from an employer shall be heard by the court at the earliest possible date. No action for the collection or contributions or interest thereon shall be commenced more than four years after the contributions have been re-

ported by the employer or determined by the director to be due and payable. In any action herein provided for, judgment shall be entered against any defendant in default for want of answer or demurrer, for the relief demanded in the complaint without proof, together with costs and disbursements, upon the filing of an affidavit of default.

No action shall be commenced for the collection of contributions with respect to wages paid for services performed prior to the effective date of a subsequent provision of law enacted prior to July 1, 1941, excluding such service from coverage under Sections 268.03 to 268.24.

(2) *Any employing unit which is not a resident of this state and which exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit which exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any civil action under this subsection. In instituting such an action against any such employing unit the director shall cause such process or notice to be filed with the secretary of state and such service shall be sufficient service upon such employing unit, and shall be of the same force and validity as if served upon it personally within this state: Provided, that the director shall forthwith send notice of the service of such process or notice, together with a copy thereof, by registered mail, return receipt requested, to such employing unit at its last known address and such return receipt, the director's affidavit of compliance with the provisions of this section, and a copy of the notice of service, shall be appended to the original of the process filed in the court in which such civil action is pending.*

Sec. 14. Minnesota Statutes 1945, Section 268.23, is amended to read:

268.23. Severable. *In the event that the Social Security Administration shall determine that any provision of Sections 268.03 to 268.24 is not in conformity with various provisions of the Federal Internal Revenue Code or the Social Security Act then such provision shall have no force or effect for any purpose but if any provision of Sections 268.03 to 268.24, or the application thereof to any person or circumstances, is held invalid, the remainder of said sections and the application of*

such provision to other persons or circumstances shall not be affected thereby.

Sec. 15. **Repealer.** Minnesota Statutes 1945, Section 268.06, Subdivisions 7, 9, 10, and 17, and Section 268.12, Subdivision 14, are hereby repealed.

[268.231] Sec. 16. **Effective rate; subsequent years.** The rate schedule set forth in Section 4 of this act shall be effective for the year 1949 and subsequent years. The benefit schedule set forth in Section 7 and the one week waiting period requirements set forth in Section 9 of this act shall apply to claims filed for benefits which establish a benefit year after June 30, 1949.

Sec. 17. Minnesota Statutes 1945, Section 268.06, Subdivision 22, as amended by Laws 1947, Chapter 32, is amended to read:

268.06. Subd. 22. **Merger.** For experience rating purposes, one or more employing units which is or are the subject of or parties to a change of ownership or any form of organization or reorganization of an employing enterprise including a change in legal identity or form, shall upon application be deemed to be a successor entitled to the transfer of the employment experience record including the war risk account of one or more such employing enterprises involved in such change of ownership, organization, or reorganization if the director finds that

(1) There is a continuation of the employment activities of the predecessor employing unit or units and that the purpose of such change is not to avoid a contribution rate in excess of 2.7%, and such transfer would not be inequitable and would not tend to defeat the object and purpose of this law.

(2) The provisions of this subdivision apply to such changes occurring in the calendar year 1948 and thereafter. Any successor employing enterprise, resulting from a change of ownership or any form of organization or reorganization to which the provisions of this subdivision apply, occurring prior to July 31, 1947, shall make application for the transfer of the employment experience record of the predecessor not later than December 31, 1951, in order to avail itself of the provisions of this subdivision.

Provided that in no event shall a successor be assigned a rate of less than 2.7% until such time as all of the unpaid contributions of the predecessor have been paid. Credits due to a predecessor as a result of overpayment of contributions under this subdivision may be granted to the successor upon assignment thereof by such predecessor in such form and in accordance with such regulations as may be prescribed by the director.

Sec. 18. Minnesota Statutes 1945, Section 268.06, Subdivision 2, is amended to read:

268.06. Subd. 2. **Rate.** (1) Each employer shall pay contributions equal to the following percentages of wages payable by him with respect to employment:

(a) Nine-tenths of one per cent with respect to employment occurring during the calendar year 1936;

(b) One and eight-tenths per cent with respect to employment occurring during the calendar year 1937;

(c) Two and seven-tenths per cent with respect to employment occurring during the calendar years 1938, 1939, 1940; and

(2) Each employer shall pay contributions equal to two and seven-tenths per cent of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year subsequent to December 31, 1940, except as may be otherwise prescribed in Subdivisions 3, 4, and 11 of this section, provided that contributions, payment of which has been deferred to May 31, 1941, with respect to employment occurring during the calendar year 1940 shall not become due from or payable by an employer not subject to the tax imposed by Section 1600 of the Federal Internal Revenue Code.

(3) *If Section 1607 (a) of the Federal Internal Revenue Code is amended so that the term "employer" includes employers of one or more persons and if Section 1602 of the Federal Internal Revenue Code is amended to permit a State contribution rate of less than 2.7 per cent to such employers who have less than the minimum requirements as to employment experience as now provided in said Section 1602, the director*

for the calendar year next following the effective date of such amendment and for each calendar year thereafter shall establish a contribution rate of one per cent for such employers, or such reduced rate above one per cent as will conform to said Section 1602 of the Federal Internal Revenue Code. If the director determines that any employer has reorganized his business for the purpose of obtaining such rate he shall nevertheless be assigned the rate based upon his predecessor's employment experience.

Approved April 22, 1949.

CHAPTER 606—H. F. No. 394

An act relating to aid to dependent children, amending Minnesota Statutes 1945, Section 256.74, Subdivision 1, as amended by Laws of 1947, Chapter 192.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1945, Section 256.74, Subdivision 1, as amended by Laws of 1947, Chapter 192, is amended so as to read as follows:

256.74. Assistance. Subdivision 1. Amount. The amount of assistance which shall be granted for any dependent child shall be determined by the county agency with due regard to the resources and necessary expenditures of the family and the conditions existing in each case and in accordance with the rules and regulations made by the state agency and shall be sufficient, when added to all other income and support available to the child, to provide such child with a reasonable subsistence compatible with decency and health.

Sec. 2. Effective date. This act shall take effect and be force from and after July 1, 1949.

Approved April 22, 1949.

CHAPTER 607—H. F. No. 430

[Coded as Section 502.79]

An act relating to release of powers of appointment.