board. Provided, however, that no regulation nor requirement shall be made, nor standard established, under this act for any sanatorium, nursing home, nor rest home conducted in accordance with the practice and principles of the body known as the Church of Christ, Scientist, except as to the sanitary and safe condition of the premises, cleanliness of operation, and its physical equipment.

Sec. 10. **Violations—penalties.**—Any person, partnership, association, or corporation, *including state, county or local governmental units, or any division, department, board or agency thereof,* establishing, conducting, managing, or operating any hospital, sanatorium, rest home, nursing home, or institution within the meaning of this act, without first obtaining a license therefor as herein provided, or who shall violate any of the provisions of this act or regulations thereunder, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed $100.00 or a sentence of not to exceed 90 days in the county jail.

Approved April 24, 1943.

CHAPTER 650—H. F. No. 1332.

(AMENDING SECTIONS 268.04; 268.06; 268.07; 268.08; 268.09; 268.10; 268.12; 268.13 AND 268.16 MINNESOTA STATUTES 1941.)

An act relating to unemployment compensation, amending Mason's Supplement 1940, Sections 4337-22, 4337-24, 4337-25, 4337-26, 4337-27, 4337-28, 4337-30, 4337-31 and 4337-34, subsections (b) and (c), all as amended by Laws 1941, Chapter 554, and adding a new section as to the effective date.

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

Section 1. **Law amended.**—Mason's Supplement 1940, Section 4337-22 as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

4337-22. **Definitions.**—As used in this act, unless the context clearly requires otherwise—

A. "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year.

B. "Benefits" means the money payments payable to an individual, as provided in this act, with respect to his unemployment.

C. "Benefit year" with respect to any individual means the one year period beginning with the first day of the first week with respect to which the individual files a valid claim for benefits.

D. "Calendar quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31, excluding, however, any calendar quarter or portion thereof which occurs prior to January 1, 1937, or the equivalent thereof, as the director may by regulation prescribe.

E. "Contributions" means the money payments required by this act to be made into the state unemployment compensation fund by an employing unit on account of having individuals in its employ.

F. "Corporation" includes associations, joint-stock companies, and insurance companies, provided, however, that this definition shall not be exclusive.

G. "Director" means the director of the division of employment and security.

H. "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 or successor thereof, 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 this act. Notwithstanding any inconsistent provisions of this act whenever any employing unit contracts with or has under it any contractor or subcontractor for any work which is part of its usual trade, occupation, profession, or business, unless the employing unit as well as each such contractor or subcontractor is an employer by reason of section 4337-22 *I or Section* 4337-29C, Mason's Supplement 1940, as amended by this act, the employing unit shall for all the purposes of this act be deemed to employ each such contractor or subcontractor and individuals in his employ for each day during which such contractor, subcontractor, and individual, is engaged in performing such work; except that each such contractor or subcontractor who is an employer by reason of section 4337-22 *I.* Mason's Supplement 1940, as amended by this act, shall alone be liable for the employer's contributions measured by wages payable to individuals in his employ. 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 this act 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.

J. "Employer" means:

(1) Any employing unit which for some portion of a day but not necessarily simultaneously, in each of 20 different weeks, whether or not such weeks are or were consecutive, within the year 1936 has or had in employment eight or more individuals (irrespective of whether the same individuals are or were employed in each such day) and, for any calendar year subsequent to 1936, an employing unit which, for some portion of a day, in each of 20 different weeks, whether or not such weeks are or were consecutive, and whether or not all of such weeks of employment are or were within the state of Minnesota, within either the current or preceding calendar year, has or had in employment one or more individuals (irrespective of whether the same individual or individuals were employed in each such day);

(2) Any employing unit which acquired the organization, trade, or business or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this act;

(3) Any employing unit which acquired the organization, trade, or business, or substantially all the assets thereof, of another employing unit, and which, if treated as a single unit with such other employing unit, would be an employer under paragraph (1) of this subsection;

(4) Any employing unit which together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls one or more other employing units (by legally enforceable means or otherwise), and which, if treated as a single unit with such other employing units or interests or both, would be an employer under paragraph (1) of this subsection;

(5) Any employing unit which, having become an employer under paragraphs (1), (2), (3), or (4), has not, under section 4337-29, Mason's Supplement 1940 as amended by this act, ceased to be an employer subject to this act;

(6) For the effective period of its election pursuant to section 4337-29 C, Mason's Supplement 1940, as amended by this act, or any other employing unit which has elected to become fully subject to this act; or

(7) Notwithstanding any inconsistent provisions of this act, any employing unit not an employer by reason of any other paragraph of this subsection for which service is performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund.

J. "Employee" means every individual, whether male, female, citizen, alien, or minor, who is performing, or subsequent to January 1, 1936, has performed services in insured work.

K. (1) Subject to the other provisions of this subsection "employment" means service performed prior to January 1, 1940, which was employment as defined in this act prior to such date, and any service performed after December 31, 1939, including service in interstate commerce and service as an officer of a corporation performed for wages or under any contract of hire, written or oral, express or implied, where the relationship of master and servant exists.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) (a) Service covered by an election pursuant to section 4337-29 C Mason's Supplement 1940, as amended by this act; and

(b) Service covered by an arrangement pursuant to section 4337-31 Mason's Supplement 1940, as amended by this act, between the director and the agency charged with the administration of any other state or federal employment and security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed entirely within this state, shall be deemed to be employment if the director has approved an election of the employing unit for which such service is performed, pur-

suant to which the entire service of such individual during the period covered by such election is deemed to be employment.

(5) Services performed by an individual for wages shall be deemed to be "employment" subject to this act unless and until it is shown to the satisfaction of the director that the relationship of master and servant does not exist as specified in subdivision (1) hereof or (a) such individual has been and will continue to be free from control or direction over the performance of such services, both under his contract of hire and in fact; and (b) such service is either outside the usual course of the business for which such service is performed, or that such service is performed outside of all the places of business of the enterprise for which such service is performed; and (c) such individual is customarily engaged in an independently established trade, occupation, profession or business.

(6) *Notwithstanding any inconsistent provisions of this act, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund.*

(7) The term "employment" shall not include:

(a) Agricultural labor. *The* term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising, harvesting or threshing any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of livestock, bees, poultry and fur-bearing animals and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land or brush and other debris left by a hurricane or fire, if the major part of such service is performed on a farm.

(3) In connection with the production or harvesting of maple syrup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the Agricultural Marketing Act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or water-

ways used exclusively for supplying and storing water for farming purposes.

(4) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the Constitution and laws of the United States of America from requiring contributions of employers with respect to wages as provided in this act;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 21 in the employ of his father or mother;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the Constitution of the United States from the contributions imposed by this act, except that with respect to such service performed subsequent to Decemeer 31, 1939, and to the extent that the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment compensation fund under a state unemployment compensation act; then, to the extent permitted by Congress, and from and after the date as of which such permission become effective, all of the provisions of this act shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same

terms as to all other employers, employing units, individuals, and services; provided that if this state shall not be certified for any year by the Social Security Board under section 1603 (c) of the Federal Internal Revenue Code, the payments required of such instrumentalities with respect to such year shall be refunded by the director from the fund in the same manner and within the same period as is provided in section 4337-34 *E of* this act, with respect to contributions erroneously collected;

(g) Service performed in the employ of this state, or of any other state, or of any political subdivision thereof, or of any instrumentality of any one or more of the foregoing which is wholly owned by this state or by one or more states or political subdivisions, and any service performed in the employ of any instrumentality of this state or of one or more states or political subdivisions to the extent that the instrumentality is, with respect to such service immune under the Constitution of the United States from the tax imposed by section 1600 of the Federal Internal Revenue Code;

(h) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of Congress;

(i) Service performed in any calendar quarter subsequent to December 31, 1940, in the employ of any organization exempt under section 1607 (c) (10) of the Federal Internal Revenue Code from the tax imposed by section 1600 of the Federal Internal Revenue Code;

(j) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a non-diplomatic representative);

(k) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The director finds that the United States Secretary of State has certified to the United States Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof;

(l) Service covered by an arrangement between the director and the agency charged with the administration of any other state

or federal employment and security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

(m) Services performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

(n) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and service performed as an interne in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(o) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission; (the word "insurance" as used in this sub-section shall include an annuity and an optional annuity);

(p) Service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(q) Service performed in the employ of any farmers' cooperative association dealing primarily with agricultural or dairy products or farmers' mutual insurance company, not subject to the tax imposed by section 1600 of the Federal Internal Revenue Code;

(r) Service performed subsequent to December 31, 1939, without wages by an officer of a corporation which is not subject to the tax imposed by section 1600 of the Federal Internal Revenue Code;

(s) Service performed subsequent to December 31, 1939, outside the corporate limits of a city, village, or borough of 10,000 population or more, as determined by the most recent United States

census, for an employer who is not subject to the tax imposed by section 1600 of the Federal Internal Revenue Code; provided the service of all of such employer's employees are performed outside such corporate limits. For the purpose of this provision, service shall be deemed to be performed outside such corporate limits if

(1) Performed entirely outside such corporate limits; or

(2) Performed both outside and within such corporate limits, if the services performed within such corporate limits is incidental to the individual's service outside such corporate limits and is temporary or transitory in nature or consists of isolated transactions.

(t) If the service performed subsequent to December 31, 1940, during one-half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one-half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subsection, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment of remuneration is ordinarily made to the individual by the person employing him. This subsection shall not be applicable with respect to service performed in a pay period by an individual for the person employing him, where any of such service is excluded by section 4337-22, *K (7) (h) and K (7) (s) of* this act.

(u) Service performed as partatime student worker whose principal occupation during the year is as a student actually attending a public or private school;

Provided, however, that the specific exclusions mentioned in subsection *K (7)* of this section shall not be exclusive;

L. "Employment and Security Administration Fund" means the employment and security administration fund established by this act, from which administrative expenses under this act shall be paid.

M. "Employment office" means a free public employment office, or branch thereof, operated by this or any other state, territory or the District of Columbia as a part of a state-controlled system of public employment offices charged with the administration of an employment and security program of free public employment offices.

N. "Filing" means the delivery of any document to the director or any of his agents or representatives, or the depositing of

the same in the United States mail properly addressed to the division with postage prepaid thereon, in which case the same shall have been filed on the day indicated by the cancellation mark of the United States post office department.

O. "Fund" *means the unemployment compensation fund* established by this act.

P. "Insured work" means employment for employers as defined in this act.

Q. "Interested party", as used in this act, shall include the claimant, his base period employers, and his most recent employers prior to the filing of a valid claim for benefits.

R. "Person" means an individual, trust or estate, a partnership or a corporation.

S. "Social Security Act" means the social security act passed by the Congress of the United States of America, approved August 14, 1935, as amended.

T. "Social Security Board" means the board established pursuant to Title VII of the Social Security Act.

U. "State" includes, in addition to the states of the United States of America, Alaska, Hawaii, and the District of Columbia.

V. "Unemployment"—An individual shall be deemed "unemployed" in any week during which he performs no service and with respect to which no wages are payable to him, or in any week of less than full time work if the wages payable to him with respect to such week are less than his weekly benefit amount. The director may, in his discretion, prescribe regulations relating to the payment of benefits to such unemployed individuals.

W. "Valid claim" with respect to any individual means a claim filed *by an unemployed individual who has registered for work and who has earned wage credits during his base period sufficient to entitle him to benefits under Section 4337-25 B.*

X. "Wages" means all remuneration for services, employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(1) That part of the remuneration which, after remuneration equal to $3,000 has been paid to an individual by an employer with respect to employment during any calendar year subsequent to December 31, 1939, is paid to such individual by such employer with respect to employment during such calendar year;

(2) The amount of any payment made on behalf of an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes

of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (a) retirement, or (b) sickness or accident disability, or (c) medical and hospitalization expenses in connection with sickness or accident disability, or (d) death, provided the employee (i) has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(3) The payment by an employer (without deduction from the remuneration of the employee) (A) of the tax imposed upon an employee under section 1400 of the Federal Internal Revenue Code, or (B) of any payment required from an employee under a state unemployment compensation law; or

(4) Dismissal payments which the employer is not legally required to make;

(5) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employee, which are not legally required.

Y. "Wage credits" mean the amount of wages paid and wages due but not paid by or from an employer to an employee for insured work except that with respect to wages paid by or due from an employer to an employee for seasonal employment (as defined in section 4337-25 D Mason's Supplement 1940, as amended by this act), "wage credits" shall mean the proportion (computed to the next highest multiple of five per cent) of such wages which the customary period of operations bears to a calendar year, except that wage credits shall not include wages paid by an employer for part time employment, who continues to give the employee part time employment substantially equal to the part time employment *previously* furnished such employee by such employer.

Z. "Week" means calendar week, ending at midnight Saturday, or the equivalent thereof, as determined in accordance with regulations prescribed by the director.

AA. "Weekly benefit amount" with respect to any particular week of total unemployment means the amount of benefits computed in accordance with the provisions of section 4337-25 *of* this act which an individual would be entitled to receive for such week, if totally unemployed and eligible.

Sec. 2. **Law amended.**—Mason's Supplement 1940, Section 4337-24 as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

"4337-24. **Contributions from employers—payments.**—A. (1) Contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this act, with respect to wages (as defined in Section 4337-22 *X.*) for employment. Such contributions shall become due and be paid by each employer to the division of employment and security for the fund in accordance with such regulations as the director may prescribe, and shall not be deducted, in whole or in part, from the wages of individuals in such employer's employ. No rule of the director shall be put in force which will permit the payment of such contributions at a time or under conditions which will not allow the employer to take credit for such contribution against the tax imposed by section 1600 of the Internal Revenue Code.

(2) In the payment of any contribution, a fractional part of a cent shall be disregarded unless it amounts to one-half or more in which case it shall be increased to one cent.

B. (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 centum with respect to unemployment occurring during the calendar year 1936;

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

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

(2) Each employer shall pay contributions equal to two and seven-tenths per centum of wages paid by 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 subsections C, D *and E.* of this section, provided, however, 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.

C. (1) The director shall, for the years 1941 and 1942, determine the contribution rate of each employer whose unemployment experience as an employer under this act is equivalent to the minimum requirements of section 1602 of the Federal Internal Revenue Code for the purpose of obtaining additional credit thereunder with respect to any reduced rates of state contributions.

(2) "Beneficiary wages" for the purpose of this section, means wages paid or payable by an employer for employment to an employee during his base period, except that with respect to wages paid or payable by an employer to an employee during his base period for seasonal employment as defined in Section 4337-25 D of this act, "beneficiary wages" shall mean the proportion of wages paid or payable by an employer to an employee for seasonal employment during his base period which is allowed to the employee as wage credits in accordance with Section 4337-22 *Y* of this act. "Beneficiary wages" as defined in this subsection shall be charged in the year in which benefits are first paid or payable pursuant to a claim for benefits.

(3) (a) The "beneficiary wage ratio" of each employer for the year 1941 shall be a percentage equal to the total of his beneficiary wages for the three immediately preceding completed calendar years divided by his total taxable payroll for the same three years on which all contributions due have been paid to the director for the fund on or before January 31, 1941.

(b) The "beneficiary wage ratio" of each employer for the year 1942 shall be a percentage equal to the total of his beneficiary wages for the thirty-six (36) consecutive calendar month period ending on June 30, 1941, divided by his total taxable payroll for the same period on which all contributions due have been paid to the division on or before July 31, 1941.

D. (1) The director shall for the year 1943 and for each calendar year thereafter determine the contribution rate of each employer whose unemployment experience as an employer under this act is equivalent to the minimum requirements of section 1602 of the Federal Internal Revenue Code for the purpose of obtaining additional credit thereunder with respect to any reduced rates of state contributions.

(2) 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.* 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. 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.

(3) (a) The director shall, for the calendar year 1943, and for each calendar year thereafter, compute an experience ratio for each employer. Such *experience* ratio shall be the quotient

obtained by dividing the total benefits chargeable to his account which *were* paid during the 36-month period ending on June 30 of the preceding calendar year divided by his total taxable payroll for the same three years on which all contributions due have been paid to the division of employment and security on or before July 31 of the preceding calendar year. Such *experience* ratio shall be computed to the fifth decimal point.

(b) Notwithstanding any inconsistent provisions of this act, whenever any portion of the experience period ends prior to July 1, 1941, one-fourth of the beneficiary wages resulting shall be deemed to constitute benefits chargeable, and the resulting quotient shall be used in computing the employer benefit ratio.

(4) The director shall, for the year 1943, and for each calendar year thereafter, determine a schedule of rates varying from and including the "standard rate" which shall be the highest rate applicable under the schedule. The position of such rates with respect to the standard rate shall be determined on the basis of the ratio of the total assets of the fund as of July 31, of the preceding calendar year, excluding contributions not yet paid on July 31 of such calendar year, to the average (one-third) of the total amount of benefits paid during the three year period ending June 30 of the year immediately preceding, in accordance with the following schedule and as herein further provided.

(A) Fund 3.5 or more times average annual benefits 10 categories	(B) Fund 3 to 3.5 times average annual benefits 11 categories	(C) Fund 2.5 to 3.0 times average annual benefits 13 categories	(D) Fund 2.0 to 2.5 times average annual benefits 15 categories	(E) Fund below two times average annual benefits 12 categories
....	....	....	....	3.25
....	....	....	....	3.25
....	....	....	....	3.25
....	....	....	3.25	3.25
....	....	....	3.25	3.25
....	....	3.25	3.25	3.25
....	....	3.25	3.25	3.25
....	3.00	3.00	3.00	3.00
2.75	2.75	2.75	2.75	2.75
....	....	....	....	....
2.50	2.50	2.50	2.50	2.50
2.25	2.25	2.25	2.25	2.25
2.00	2.00	2.00	2.00	2.00
1.75	1.75	1.75	1.75	....
1.50	1.50	1.50	1.50	....
1.25	1.25	1.25	1.25	....
1.00	1.00	1.00	1.00	....
.75	.75	.75	.75	....
.50	.50	.50	.50	....

(5) The director shall, after having determined the schedule of rates for the current calendar year

(a) divide equally into the number of categories indicated in paragraph (4) of this subsection, the sum of the preceding year's payroll of all employers eligible for experience rating under the provisions of subsection (1) of this section;

(b) assign a contribution rate to each payroll category in accordance with the schedule of rates for the current calendar year and classify employers in accordance with their experience ratios, commencing with the lowest ratio;

(c) allocate the payrolls of employers eligible for experience rating under this section for the preceding year into separate categories in the order of their experience ratios as classified, commencing with the lowest ratio and the payroll category having the lowest contribution rate. When an employer's payroll falls within two payroll categories, the entire payroll shall be allocated to the payroll category into which more than 50 per centum of his payroll falls; in case 50 per centum of an employer's payroll falls within each of two categories, his total payroll shall be allocated to the category having the lower rate.

If, subsequent to the date on which the director allocated the payrolls of all employers into categories in the order of their experience ratio pursuant to section 4337-24, any circumstance requires the recomputation of any employer's experience ratio, such recomputation shall not alter the category of any other employer, but the employer whose experience ratio has been recomputed shall be placed, for the purpose of subsection (4), in that category to which he is entitled by such recomputation.

(6) Each employer's contribution rate for the year 1943 and for each year thereafter shall be the rate applicable to the payroll category to which his payroll has been allocated, except if payrolls of employers having a zero experience ratio exceed the amount allocated to the lowest contribution rate, then all of such payrolls shall be assigned the lowest rate available under the schedule.

"E. (1) Any employer who subsequent to December 31, 1940, has become or becomes subject to Chapter 23 AA, Mason's Minnesota Statutes, 1940 Supplement, as amended by Laws 1941, Chapter 554, and as amended by this act, whose total current payroll, as defined in this subsection, for any calendar quarter within the period beginning January 1, 1942, and ending June 30, 1945, exceeds $50,000 shall pay war risk contributions, and any other employer whose total current payroll, as defined in this

subsection, for any calendar quarter within such period exceeds $50,000, which has increased 100% or more over and above his normal payroll for the corresponding calendar quarter in 1940, shall in addition to his normal contributions pay war risk contributions on that part of his current payroll over and above 200% of his normal payroll, for the first such calendar quarter or the quarter commencing January 1, 1943, whichever is later and for each calendar quarter thereafter to and including June 30, 1945.

(2) As used in this subsection, "normal contributions" means the contributions computed at a percentage rate on an employer's current payroll which he is required to pay under subsections B, C or D of this section.

(3) "War risk contributions" means the additional contributions required under this subsection at a rate equal to 3%.

(4) "Normal payroll" means an employer's payroll for any calendar quarter in the year 1940 with respect to wages paid for insured work which corresponds to the same calendar quarter in any year within the period beginning January 1, 1942, and ending June 30, 1945. The term "normal payroll" shall include the payroll of any organization, trade, or business of another employing unit acquired by the employer by purchase, consolidation, merger, liquidation, or other form of reorganization.

(5) "Current payroll" means any current quarterly payroll with respect to wages paid for insured work in any year within the period beginning January 1, 1942, and ending June 30, 1945.

(6) The total current payrolls and total benefits paid to unemployed workers of any employer who is required to pay war risk contributions shall be included as factors in determining such employer's normal contribution rate for the calendar year 1943 and thereafter in the same manner as other employers' contribution rates are determined; except, however, that benefits paid subsequent to June 30, 1945, or after the cessation of hostilities in the present war, as declared by proper authority of the United States, whichever is the earlier, to unemployed workers of any employer who is required to pay and has paid war risk contributions as provided for herein, shall not be included as a factor in determining such employers' future contribution rate until such benefits so paid shall equal the total amount of war risk contributions paid by such employer into the unemployment compensation fund, or until wage credits accrued to such employer's workers during the period for which war risk contributions were required are no longer available as a basis for payment of benefits, whichever event occurs first.

(7) The current payroll of any employer who is required to pay war risk contributions under this subsection shall not be included as a factor in determining the contribution rate of any employer who is not required to pay war risk contributions for the calendar year 1943 and thereafter up to and including June 30, 1945, or to the next computation date of contribution rates after the cessation of hostilities in the present war, as declared by proper authority of the United States whichever is the earlier.

F. (1) The director shall at least once each year notify *each* employer of the benefits *as determined by the division which have been charged to his* account *subsequent to the last notice. Unless reviewed in the manner hereinafter provided, charges set forth in such notice, or as modified by a redetermination, a decision of a referee, or the director, shall be final and shall be used in determining the contribution rates for all years in which the charges occur within the employer's experience period and shall not be subject to collateral attack by way of review of a rate determination, application for adjustment or refund, or otherwise.*

(2) *The director* shall notify each employer of his rate of contributions as determined for any calendar year pursuant to this section. Such *notice* shall *contain the contribution rate, the factors 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.*

(3) The director may in his discretion within six months from the date of mailing such notice order a redetermination or review of any benefit charge or rate of determination. Any employer desiring to obtain a review shall, within 30 days from the date appearing on the notice of the determination to be reviewed, file with the director a protest setting forth the reasons therefor. Upon receipt of such protest the director may redetermine the matter or refer the matter for hearing before a referee appointed by him for that purpose. In the event of a redetermination, a notice thereof shall be mailed to the employer. If within 10 days from the date of the redetermination an employer files an appeal, the matter shall be referred to a referee for hearing. After affording the parties reasonable opportunity for a fair hearing, the referee shall affirm, modify, or set aside the determination. The referee may order the consolidation of two or more appeals whenever, in his judgment,

such consolidation will not be prejudicial to any interested party. At any such hearing a written report of any employee of the division which has been authenticated shall be admissible in evidence. Appeals from the decision of the referee shall be made in the same manner as appeals from the decision of an appeal tribunal.

G. (1) The director shall maintain a separate account for each employer, and shall credit his account with all the contributions paid by him. Nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by the employer into the fund.

H. For the purposes of this section, two or more employing units which are parties to or the subject of a merger, consolidation or other form of reorganization effecting a change in legal identiy or form, shall be deemed to be a single employing unit if the director finds that

(1) Immediately after such change the employing enterprises of the predecessor employing unit or units are continued solely through a single employing unit as successor thereto; and

(2) Immediately after such change such successor is owned or controlled by substantially the same interests as the predecessors employing unit or units; and

(3) The consolidation of such two or more employing units as a single employing unit for the purposes of this subsection would not be inequitable.

(4) The provisions of this section shall apply to acquisitions prior to as well as subsequent to the effective date of this act for the purpose of computing contributions due for the year 1941 and subsequent years.

Provided, however, 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.

I. Notwithstanding any inconsistent provisions of this act, if prior to September 1, *1943*, an employer files a claim for adjustment in which he alleges that he had reemployed, within the period from January 1, 1938 to June 30, *1942*, inclusive, an employee for which beneficiary wages were debited against him, and the director finds that such employee did not receive the maximum benefit-payments to which he was entitled within any benefit year because of such reemployment, the employer's beneficiary wage record for such period shall be credited with beneficiary wages equal to the percentage of unpaid benefits to the maximum benefit of the beneficiary wages charged for said employee.

Provided, however, that any adjustment granted under this section shall be used in the determination of the contribution rate provided in section 4337-24 *D and E.*, Mason's Supplement 1940, as amended by this act, only for the year *1943* and subsequent years, except if such unemployment existed because of a labor dispute at the factory, establishment, or other premises at which he was an employee or was last employed prior to such dispute, in such cases any adjustment granted under this section shall be used in the determination of the contribution rate provided in section 4337-24 *D and E.*, Mason's Supplement 1940, as amended by this act, only for the year *1943* and subsequent years.

Notwithstanding any inconsistent provisions of this act, or prior acts or regulations, if prior to September 1, 1943, an employer filed a claim for adjustment in which he alleges:

(1) that as the result of section 4337-24 C (3) (b), he has been charged more than $240.00 in resulting benefits chargeable for any claimant during any single benefit year, and the director determines that such charge for any one claimant has exceeded $240.00 during any benefit year, such amount in excess of $240.00 shall be credited against benefits paid and charged against such employer's account.

(2) that as the result of adjustments previously made under section 4337-24 H of 1941 act, or as amended by this act, in the event the original beneficiary wages charged for any one claimant during a benefit year, prior to adjustment under section 4337-24 H exceeded $960.00, and the director so determines, a readjustment shall be made and such employer's account credited proportionately for any previously charged beneficiary wages in excess of $960.00 for each such claimant.

Provided, however, that any adjustment granted under this section shall be used in the determination of the contribution rate provided in section 4337-24 D of this act, only for the year 1943 and subsequent years.

J. Any employer who has paid contributions with respect to employment performed subsequent to December 31, 1937, which exceed the total amount of benefits paid to his unemployed workers during the same period by an amount equal to or in excess of twelve percent of his total payroll for employment during the twelve-month period preceding June 30 of any calendar year subsequent to 1942, and who has been assigned a contribution rate pursuant to subsection D of this section, which is in excess of one-half of one percent, may file a claim for a contribution rate of one-half of one percent within the period hereinbefore provided for the filing of appeals from the originally assigned contribution rate. The

director shall examine the matter and if he finds that the facts are in accordance with this provision such employer shall be assigned a contribution rate of one-half of one percent for the next succeeding calendar year.

Provided, however, that in the event the Social Security Board shall determine that either subsections *I or J are* not in conformity with the various provision of the Federal Internal Revenue Code or the Social Security Act then such subsection *I* shall have no force or effect.

Sec. 3. **Law amended.**—Mason's Supplement 1940, Section 4337-25 as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

4337-25. **Benefits payable—time payable.**—A. All benefits provided herein shall be payable from the fund and shall be paid through employment offices, in accordance with such regulations as the director may prescribe.

B. (1) An individual's weekly benefit amount and maximum amount of benefits payable during his benefit year shall be the amounts appearing in column A B and C respectively in the table in this subsection 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 Wage Credits in Base Period	B Total Maximum Amount of Benefits Payable during a Benefit Year	C Weekly Benefit Amount
Under $200.00	None	None
$ 200. 224.99	$ 70.00	$ 7.00
225. 249.99	80.00	8.00
250. 299.99	90.00	9.00
300. 349.99	108.00	9.00
350. 399.99	120.00	10.00
400. 449.99	132.00	11.00
450. 549.99	168.00	12.00
550. 649.99	182.00	13.00
650. 749.99	196.00	14.00
750. 849.99	210.00	15.00
850. 949.99	225.00	15.00
$ 950—$1,049.99	240.00	15.00
$1,050—$1,149.99	256.00	16.00
$1,150—$1,249.99	272.00	17.00
$1,250—$1,499.99	288.00	18.00
$1,500—$1,749.99	304.00	19.00
$1,750—and over	320.00	20.00

(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.

(3) The wage credits of an individual earned in employment by any base period employer during the period commencing with the end of the base period and ending on the date on which he filed a valid claim shall be reduced and cancelled by each benefit payment in the same ratio as the portion of each benefit payment which has been charged to such employer bears to the total benefits to which such individual is entitled.

C. Any person who, by reason of his fraud has received any sum as benefits under this act to which he was not entitled after a fair hearing, and in the discretion of the director, shall be liable to repay such sum to the division of employment and security for the fund or to have such sum deducted from any future benefits payable to him under this act.

D. (1) "Seasonal employment" means employment in any industry or any establishment or class of occupation in any industry which is engaged in activities relating to the first processing of seasonally produced agricultural products in which, because of the seasonal nature thereof, it is customary to operate only during a regularly recurring period or periods of less than 26 weeks in any calendar year. The director shall, after investigation and hearing, determine any may thereafter from time to time redetermine such customary period or periods of seasonal operations. Until the effective date of such determination by the director, no employment shall be deemed seasonal.

(2) Any employer who contends that employment in his industry or any establishment or occupation in such industry is seasonal shall file with the director a written application for a hearing and determination of such matter. Upon receipt of such application, the director shall fix a time and place for such hearing and shall give the employer written notice thereof of not less than 15 days prior to the time of such hearing. Within three days after receipt of such notice, the employer shall post in a conspicuous place in each department of each establishment of his industry, with respect to which such application was made, a written notice setting forth the time and place of such hearing and shall cause such notice to be published in the first next issue of the legal newspaper published nearest such place of business and shall furnish to the director proof of such posting and publication.

(3) In order to insure the prompt disposition of all applications for seasonality determination, the director shall designate one or more representatives, herein referred to as referees, to conduct hearings thereon at which hearings the employer and his employees shall be entitled to appear, introduce evidence, and be heard in person, by counsel, or by any other representative of their own selection. After having heard the matter, the referee shall promptly make findings of fact and render a decision thereon. Notice of such decision together with a copy of the findings of fact and the decision shall be promptly given to the parties to the hearing, and unless the employer or any other party to such matter, within ten calendar days after the delivery of such notice or within 12 calendar days after such notice was mailed to his last known address, files an appeal with the director from such decision, such decision shall be final, and benefits shall be paid or denied in accordance therewith.

(4) The director may, on his own motion, cause an investigation of any industry or class of occupation in any industry which he believes to be seasonal in nature, and, after a hearing on such matter, the referee may make findings of fact and render his decision thereon based upon the facts disclosed by such investigation and hearing.

(5) Any employer, employee, or other party to the hearing may appeal from the decision of the referee in the same manner as appeals are provided for in this act relative to decisions made by an appeal tribunal in regard to claims for benefits under this act.

E. (1) Notwithstanding any inconsistent provisions of this act, the benefit rights of military trainees shall be determined in accordance with the following provisions of this subsection for the periods and with respect to the matters specified therein. Except as herein otherwise provided, all other provisions of this act shall continue to be applicable in connection with such benefits.

(2) The term "military service" as used in this subsection means active service in the land or naval forces of the United States, but the service of an individual in any reserve component of the land or naval forces of the United States who is ordered to active duty in any such force for a period of 30 days or less shall not be deemed to be active service in such force during such period.

(3) The term "military trainee" as used in this subsection means an individual who entered military service after March 31, 1940, who continued such service for not less than 90 consecutive days, and whose military service was terminated on or before *July 1, 1945.*

(4) With respect to any military trainee, the first benefit year following the termination of his military service shall be the one year period beginning on the first day of the first week next following the date of such termination.

(5) With respect to a benefit year as defined in Paragraph (4) of this subsection, the base period of a military trainee shall be the four completed calendar quarters immediately preceeding the date of his entry into such service.

(6) The provisions of Section 4337-26 *D* of this act with respect to waiting period shall not be applicable to a benefit year as defined in Paragraph (4) of this subsection.

(7) An otherwise eligible military trainee shall be entitled, during the benefit year as defined in Paragraph (4) of this subsection, to a weekly benefit amount and a maximum total amount of benefits payable during a benefit year in accordance with the provisions contained in Subsection B of this section.

(8) No military trainee shall be deemed eligible for benefits under this act unless he has applied for and been denied reinstatement in his former employment, or such employment is not available.

(9) The provisions of Section 4337-27 of this act shall not be applied to any military trainee after the termination of his military service by reason of any act or course of action on his part prior to the date of entry into such service.

(10) If, under an act of Congress, payments with respect to the unemployment of individuals who have completed a period of military service are payable by the United States, a trainee shall be disqualified for benefits with respect to any week beginning within a benefit year as defined in Paragraph (4) of this subsection until he has exhausted all his rights to such payments from the United States.

Sec. 4. **Law amended.**—Mason's Supplement 1940, Section 4337-26 as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

4337-26. **Who are eligible to receive benefits.**—An individual shall be eligible to receive benefits with respect to any week of unemployment only if the director finds that:

A. 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 subsection as to types of cases or situa-

tions with respect to which he finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of this act;

B. He has made a claim for benefits in accordance with such regulations as the director may prescribe;

C. He was able to work and was available for work *in his usual trade or occupation or in any other trade or occupation for which he demonstrates he is reasonably fitted and is actually seeking work;*

D. He has been unemployed for a waiting period of two weeks *during which he is otherwise eligible for benefits under this act. No individual shall be required to serve a waiting period of more than two weeks within the one year period subsequent to filing a valid claim and commencing with the week within which such valid claim was filed.* Such weeks of unemployment need not be consecutive.

E. No week shall be counted as a week of unemployment for the purposes of this section:

(1) Unless it occurs subsequent to the filing of a valid claim for benefits;

(2) Unless it occurs after benefits first could become payable to any individual under this act;

(3) If he is receiving, has received, or is claiming remuneration in the form of

(a) dismissal payment or wages in lieu of notice whether legally required or not; such wages shall act to extend the waiting period of an individual before benefits shall be paid because of employment by such employer and shall not be reduced by any employment during the period for which such dismissal wages were paid;

(b) compensation for loss of wages under the workmen's compensation law of this state or any other state or under a similar law of the United States, or under other insurance or fund established and paid for by the employer; or

(c) old age benefits under Title II of the Social Security Act, as amended, or similar payments under any act of Congress, or this state or any other state, or pension payments from any fund, annuity, or insurance provided by or through the employer and to which the employer contributes 50% or more of the total of the entire premiums or contributions to the fund; provided, that if such remuneration is less than the benefits which would otherwise be due under this act, he shall be entitled to receive for such

week, if otherwise eligible, benefits reduced by the amount of such remuneration;

(d) unemployment compensation benefits under any law of this state, or of any other state, or the federal government; provided, that if the appropriate agency of such other state or the federal government finally determine that he is not entitled to such unemployment benefits, this provision shall not apply.

Sec. 5. **Law amended.**—Mason's Supplement 1940, Section 4337-27 as amended by Laws 1941, Chapter 554, is amended to read as follows:

4337-27. **Who are disqualified from benefits.**—An individual shall be disqualified for benefits: *A. If* such individual voluntarily and without good cause *attributable to the employer* discontinued *his employment by such* employer *and all wage credit earned in such employment shall be cancelled. Any such individual shall be deemed ineligible for benefits based upon wage credits from any base period employers for the week in which such leaving occurred and for the next three following weeks; provided that this provision shall not apply to any individual who left his employment to accept employment in an industry, occupation or activity in accordance with War Manpower policies of the United States or to accept employment offering substantially better conditions of work or substantially higher wages or both. However, under such conditions of separation, the individual's benefits based upon wage credits earned from the employer from whom he so separated shall be reduced by 25% and benefits paid, if any, of the remaining 75% shall not be considered in determining the future contribution rate of such employer, and any such individual shall be deemed ineligible for benefits based on wage credits from any base period employer for three weeks of unemployment in addition to his waiting period.*

B. If such individual was discharged by any employer for misconduct connected with his work *or for misconduct which interferes with and adversely affects his employment and all wage credits earned in such employment shall be cancelled. Any such individual shall be deemed ineligible for benefits based upon wage credits from any base period employers for three weeks of unemployment in addition to the waiting period.*

C. If such individual's unemployment was caused by separation from employment pursuant to a rule of any employer of such individual whereby any female in the employ of any such employer shall be dismissed within a period of *90* days after acquiring a marital status *or after such marital status first becomes known to the employer all wage credits earned in such employment shall be cancelled;* provided, however that:

(1) Such rule shall have been in effect and posted continuously in a conspicuous place in each establishment of the employer's place of business not less than six months immediately preceding the date on which such marital status was acquired; and

(2) Such individual's wages are not the only support of herself or the main support of an immediate member of her family*;*

(3) Such employer may re-employ any such individual for a period not exceeding 90 days in any one year without invalidating the marital rule or without affecting any previous disqualification because of such rule; provided that such wage credits earned in such reemployment shall not also be cancelled because of such marital rule;

(4) During the present world war any employer may, by posting a notice in the same manner as provided in subdivision (1) hereof, suspend the operation of such marital rule for a period of the duration and not exceeding six months following the cessation of hostilities in such war at which time such rule may be reinstated and will then become effective on any individual who has acquired a marital status during such period of suspension or was subject to dismissal under such rule at the time of suspension thereof.

D. If such individual's unemployment is due to separation from *such employer* for the purpose of assuming *marital or family obligations and all wage credits earned in such employment shall be cancelled. No benefits shall be paid based on employment with any previous employer until such individual has had employment subsequent to such separation, for a period of not less than six weeks during each of which wages were equal to the weekly benefit amount for total unemployment.*

E. If the director finds that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office or the director or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the director. Such disqualification shall continue until he shall have earned at least $200.00 in wages in employment after such refusal of employment. *Suitable work shall be his former employment or any work for which such individual is reasonably fitted and for which work the wages are equal to 125% of the weekly benefit amount for total unemployment.*

(1) In determining whether or not any work is suitable for an individual, the director shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and

prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

(2) Notwithstanding any other provisions of this act, no work shall be deemed suitable, and benefits shall not be denied under this act to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(a) If the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(b) If the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(c) If as a condition of being employed the individual would be required *by an employer* to join a company union or to resign from or refrain from joining any bona fide labor organization.

F. *If such individual has left or partially or totally lost his employment with an employer because of a strike or other labor dispute. Such disqualification shall prevail for each week during which such strike or other labor dispute is in progress at the establishment in which he is or was employed, except that this disqualification shall not act to deny any individual the right to benefits based on employment subsequent to his separation because of a strike or other labor dispute if such an individual has in writing notified the employer involved in such strike or other labor dispute of his resignation and acceptance of his resignation and acceptance of other bona fide employment and provided further that such resignation is accepted by all parties to the strike or other labor dispute so that such individual is no longer considered an employee of such employer. For the purpose of this section the term "labor dispute" shall have the same definition as provided in the Minnesota Labor Relations Act. Nothing in this subsection shall be deemed to deny benefits to any employee who becomes unemployed because of a lockout or by dismissal during the period of negotiation in any labor dispute and prior to the commencement of a strike.*

(7) If such individual cannot accept his former employment when offered by such employer for reasons not attributable to such employer or if he is unable to perform such work or is no longer eligible or available for such employment and all wage credits earned in such employment shall be cancelled.

(8) For the week with respect to which he knowingly and wilfully fails to disclose any remuneration received by him for services performed for the purpose of obtaining benefits or a greater amount of benefits than he otherwise would have been paid and for each week thereafter during the remainder of his benefit year.

Sec. 6. **Law amended.**—Mason's Supplement 1940, Section 4337-28 as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:—

4337-28.A. **Claims for benefits—how made.**—Claims for benefits shall be made in accordance with such regulations as the director may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the director to each employer without cost to him.

B. (1). *A deputy, designated by the director,* shall promptly examine the claims for benefits made pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates. Notice of any determination, together with the reasons therefor, shall be promptly given the claimant and all other interested parties. Unless the claimant or such other interested party, parties, or employing unit or units within ten calendar days after the delivery of such notification, or within 12 calendar days after such notification was mailed to his last known address, files an appeal from such decision, such decision shall be final and benefits shall be paid or denied in accordance therewith. If an appeal is filed, benefits may be paid on the uncontested portion of the claim; benefits on the contested portion of the claim, if any, shall be paid after the final determination of the appeal. *Provided, that, except in respect to cases arising* under section 4337-27, Subsection *F* of this act, if an appeal tribunal affirms an initial determination or the director affirms a decision of the appeal tribunal, allowing benefits, such benefits shall be paid regardless of any appeal which may thereafter be taken, but if such decision is finally reversed, such benefits so paid shall not be considered in determining any individual employer's future contribution rate under section 4337-24, of this act.

C. Unless such appeal is withdrawn *the date for hearing before* an appeal tribunal *shall be set and notice of such hearing shall be mailed to the last known address of all interested parties at least ten days prior to the date set for such hearing. Such hearing shall be a trial de novo, and, upon the evidence presented, the appeal tribunal* shall affirm, modify, or set aside the initial determination. *The director may, by regulation, provide for the taking of evidence or for the admission of sworn statements in case any interested party is unable to be present at the hearing.* The parties shall be duly notified of such tribunal's decision, together with its reason therefor, which shall be deemed to be the final decision unless with-

in ten days after the date of notification of such decision, further appeal is initiated pursuant to subsection E of this section.

D. In order to assure the prompt disposition of all claims for benefits, the director shall establish one or more impartial appeal tribunals consisting of a salaried examiner who shall serve as chairman, and two additional members, one of whom shall be a representative of employers and the other of whom shall be a representative of employees; each of the latter two members shall serve at the pleasure of the director and be paid a fee of not more than $10.00 per day of active service on such tribunal plus necessary expense. The director shall by regulation prescribe the procedure by which such appeal tribunals may hear and decide disputed claims, subject to appeal to the director. No person shall participate on behalf of the director in any case in which he is an interested party. The director may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. The chairman shall act alone in the absence or disqualification of any other member and his alternates. In no case shall a hearing before an appeal tribunal proceed unless the chairman of such tribunal is present. There shall be no charges, fees, transcript costs or other cost imposed upon the employee in prosecuting his appeal. *All decisions of such tribunal complete as to the names of members of such tribunal shall be made available to the public in accordance with such regulations as the director may prescribe, except that names of interested parties may be deleted.*

E. Within *12* days after the rendition thereof the director may, on his own motion, *review such decision in the same manner as though one of the parties thereto had appealed therefrom. Upon the filing of an appeal from a decision of an appeal tribunal, the director may grant or deny such appeal. If the appeal is granted, the director may* affirm, modify, or set aside *the findings of fact or* decision, *or both,* of *the* appeal tribunal on the basis of the evidence previously submitted in *the* case, or direct the taking of additional evidence. *The director may disregard the findings of fact of the appeal tribunal and examine the testimony taken and make such findings of fact as the evidence taken before the appeal tribunal may, in the judgment of the director, require, and make such decision as the facts so found by him may require. If the appeal is denied, the decision of the appeal tribunal may be reviewed in the Supreme Court in accordance with the provisions for judicial review of decisions of the director; and in the absence of such review, the decision of the appeal tribunal shall become final.* The director shall notify the interested parties of his findings and decision *or of his denial of an appeal.*

F. The manner in which disputed claims shall be presented, the reports thereon required from the claimant and from employers,

and the conduct of hearings and appeals shall be in accordance with the regulations prescribed by the director for determining the *rights of the parties, whether or not such regulations conform to* common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing shall be reduced to writing, but need not be transcribed unless the disputed claim is further appealed.

G. Witnesses subpoenaed pursuant to this section shall be allowed fees at a rate fixed by the director. Such fees shall be deemed a part of the expense of administering this act.

H. Any decision of the director in the absence of an appeal therefrom as herein provided, shall become final *on the eleventh day after the date of mailing notice thereof to the party's last known address, or in absence of such mailing, upon the eleventh day after the delivery of such notice,* and judicial review thereof shall be permitted only after any party claiming to be aggrieved thereby has exhausted his remedies before the director, as provided by this act. The director shall be deemed to be a party to any judicial action involving any such decision and may be represented in any such judicial action by any qualified attorney who is a regular salaried employee of the division of employment and security and has been designated by the director for that purpose, or, at the director's request, by the attorney general.

I. In any proceeding under this act before an appeal tribunal or the director a party may be represented by an agent or attorney, but no individual claiming benefits shall be charged fees of any kind in any proceeding under this act by the appeal tribunal, the director, or his representatives, or by any court or any officers thereof. Any individual claiming benefits in any proceedings before the director or his representatives or a court may be represented by counsel or other duly authorized agent, except that said agent in any court proceedings under this act must be an attorney at law; but no such counsel shall either charge or receive for such services more than an amount approved by the director and no fees shall be collected from an individual claiming benefits by any agent unless he is an attorney at law.

Any party in interest thereto may, within 30 days after the date of mailing of notice to him at his last known address of any order or decision of the director involving the merits of the case or any part thereof, have the same reviewed on certiorari by the Supreme Court on any of the following grounds:

(1) That the decision of the director sought to be reviewed is not in conformity with the terms of this law, or that the director committed any other error of law;

(2) That the findings of fact and the decision sought to be reviewed were unwarranted by the evidence. Any such party in interest so applying for such review, if he be other than a claimant for benefits, shall furnish a cost bond, pay to the division of employment and security a fee of $15.00, $5.00 of which shall be retained by said division and deposited in its administration fund, and $10.00 of which shall be paid to the clerk of the Supreme Court. The Supreme Court, on review taken under this section, shall have and take original jurisdiction and may reverse, affirm, or modify the decision reviewed, and enter such judgment as may be just and proper; and when necessary may remand the cause to the director for a new hearing or for further proceedings, with such directions as the court may deem proper.

Sec. 7. **Law amended.**—Mason's Supplement 1940, Section 4337-30, Subsections H, K, L and M, as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

H. (1) **Administration—work records—reports.**—Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the director may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the director at any reasonable time and as often as may be necessary. The director, appeal referee, chairman of an appeal tribunal, or any other duly authorized representative of the director, may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the director, appeal referee, chairman of an appeal tribunal, or any other duly authorized representative of the director deems necessary for the effective administration of this act, *provided, however, that quarterly contribution wage and report forms shall be made to correspond wherever possible with the reports required from employers under the federal insurance contributions act, so that such state forms may be prepared as duplicates of such federal forms, except that no employer shall be permitted to submit a duplicate report which is not thoroughly legible.*

(2) The director may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as he may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs,

duplications or reproductions, duly authenticated, shall be admissable in any proceeding under this act if the original record or records would have been admissable therein.

(3) Notwithstanding any inconsistent provisions elsewhere, the director may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in his custody, which are more than four years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of this act, including any required audit thereof, provided, that the director may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in the above subsection.

K. *(1)* In the administration of this act, the director shall cooperate to the fullest extent consistent with the provisions of this act, with the Social Security Board, created by the Act of Congress, entitled the Social Security Act, as amended; shall make such reports in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with regulations prescribed by the Social Security Board governing the expenditures of sums as may be allotted and paid to this state under Title III of the Social Security Act for the purpose of assisting in the administration of this act.

(2) If Section 303 (a) (5) of Title III of the Social Security Act and sections 1603 (a) (4) of the Internal Revenue Code are amended to permit a state agency to use, in financing administrative expenditures incurred in carrying out its employment security functions, some part of the monies collected or to be collected under the state unemployment compensation law, in partial or complete substitution for grants under said Title III, in that event this act shall, by the director's proclamation and rules to be issued with the governor's approval, be modified in the manner and to the extent and within the limits necessary to permit such use by the director under this act; and such modifications shall become effective on the same date as such use becomes permissible under such federal amendments.

L. Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of this act, and from any determination as to the benefit rights of any individual shall be held confidential and shall

not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant *or other interested party* (or his legal representative) shall be supplied with information from the records of the Division of Employment and Security, to the extent necessary for the proper presentation of his claim, *contention or refutation of any claim in which he is an interested party* in any proceeding under this act with respect thereto. Subject to such restrictions as the director may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an employment and security law or the maintenance of a system of public employment offices, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request, therefor, the director shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this act. The director may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this act, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in Section 1606 (c) of the Federal Internal Revenue Code.

All letters, reports, communications, or any other matters, either oral or written, from an employer or his workers to each other or to the director or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of this act or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit, for slander or libel in any court of this state.

M. (1) The director may, upon his own motion or upon the written application of an employing unit, and after notice of hearing as hereinafter provided, make findings of fact, and on the basis thereof, determinations with respect to whether an employing unit constitutes an employer and whether services performed for, or in connection with the business of any employing unit constitutes employment for such employing unit.

(2) The director shall designate one or more representatives, herein referred to as referees, to conduct hearings upon such matter, at which hearings the employing unit, any individual claiming to be or claimed to be an employee of such employing unit, and any other individual having information pertinent to the issues, shall be entitled to appear, introduce evidence, and be heard in person, by counsel, or by any other representative of their own selection. The referee shall fix a time and place within this state for such hearing and shall give the employing unit written notice thereof, by registered mail, not less than ten days prior to the time of such hearing. In the discharge of the duties, imposed by this section, the referee shall have power to administer oaths and affirmations, take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with the subject matter of such hearing. The written report of any employee of the division of employment and security, made in the regular course of the performance of such employee's duties, shall be competent evidence of the facts therein contained and shall be prima facie correct, unless refuted by other credible evidence.

(3) Upon the conclusion of such hearing, the referee shall *serve upon the employing unit by registered mail proposed findings of fact and decision in respect thereto. The employing unit shall have 10 days following the mailing of such proposed findings and decision within which to file with the referee exceptions thereto and argument thereon. Opportunity for oral argument shall be allowed at the discretion of the referee, on his own motion or at the request of the employing unit and, if allowed, shall be given by not less than five days' notice to the employing unit. Following the expiration of the period within which to file exceptions and argument in respect to the proposed findings and decision or the conclusion of oral argument, if such has been allowed, the referee shall render a decision in the matter. If such decision is that the employing unit constitutes an employer, such decision shall show the period or periods for which such employer is liable for the payment of contributions and may also include, but need not necessarily do so, a determination of the amount of such contributions, together with interest, due and unpaid. The decision of the referee, together with his findings of fact and reasons in support thereof, shall become final unless within 10 days after the mailing by registered mail a copy thereof to the employing unit an appeal is filed with the director or unless the director, within twelve days after the mailing of such decision, on his own motion orders the matter certified to him for review. Appeal from and review by the director of the decision of the referee shall be had in the manner provided by regulation. The director may without further*

hearing affirm, modify, or set aside the findings of fact or decision, or both, of the referee on the basis of the evidence previously submitted in the case, or direct the taking of additional evidence. The director may disregard the findings of fact of the referee and examine the testimony taken and make such findings of fact as the evidence taken before the referee may, in the judgment of the director, require, and make such decision as the facts so found by him may require. The director shall notify the employing unit of his findings and decision by registered mail and notice of such decision shall contain a statement setting forth the cost of certification of the record in the matter. The decision of the director shall become final unless judicial review thereof is sought as provided by this act. Any interested party to a proceeding before a referee or the director may obtain a transcript of the testimony taken before the referee upon payment to the director of the cost of such transcript to be computed at the rate of ten cents per 100 words.

(4) The district court of the county wherein the hearing *before the referee* was held shall, by writ of certiorari to the director, have power to review all questions of law and fact presented by the record. *The court may accept newly discovered evidence and may try the matter de novo.* Such *action* shall be commenced within 20 days of the service by registered mail of notice of the decision of the director upon the employing unit affected thereby. Such proceedings before the courts shall be given precedence over all other civil cases. The director shall not be required to certify the record to the district court unless the party commencing such proceedings for review, as *provided above,* shall pay to the director the cost of certification of the record computed at the rate of ten cents per *100* words *less such amount as may have been previously paid by such party for a transcript.* It shall be the duty of the director upon receipt of such payment to prepare and certify to the court a true and correct typewritten copy of all matters contained in such record. The costs so collected by the director shall be deposited by him in the employment and security administration fund provided for in section 4337-33 of this act. The court may confirm or set aside the decision and determination of the director. If the decision and determination is set aside and the facts found in the proceedings before the referee are sufficient, the court may enter such decision as is justified by law, or may remand the cause to the director for further proceedings and may state the questions requiring further hearing, and give such other instructions as may be proper.

(5) A *final decision* of the director *or referee,* in the absence of appeal therefrom, shall be conclusive for all the purposes of this act except as herein otherwise provided, and, together with the records therein made, shall be admissible in any subsequent

judicial proceeding involving liability for contributions. A *final decision* of the director *or referee* may be introduced in any proceeding involving a claim for benefits.

(6) In the event a final decision of the director or referee determines the amount of contributions due under this act, then, if such amount, together with interest and penalties, is not paid within 30 days after such decision, the provisions of section 4337-34 C shall apply; and the director shall proceed thereunder, substituting a certified copy of the final decision in place of the contribution report therein provided.

Sec. 8. **Law amended.**—Mason's Supplement 1940, Section 4337-31, is amended to read as follows:

A. **Reciprocal benefit arrangement — authorization.**—The director is hereby authorized to enter into reciprocal arrangements with the appropriate and duly authorized agencies of other states or of the federal government, or both, *provided authority is granted such agencies to exclude from employment in their state,* whereby:

1. Service performed by an individual for a single employing unit for which service is customarily performed in more than one state shall be deemed to be service performed entirely within any one of the states

(a) In which any part of such individual's service is performed, or

(b) In which such individual has his residence, or

(c) In which the employing unit maintains a place of business; provided, there is in effect, as to such service, an election, approved by the agency charged with the administration of such state's employment security law, pursuant to which all the service performed by such individual for such employing unit is deemed to be performed entirely within such state; *provided further that no single employing unit within the meaning of this act may effect the transfer of coverage of more than seven individuals from this state or one per cent of the total number of individuals in its employ both within and without this state, whichever effects the transfer of the greater number of workers.*

(2) Potential rights to benefits accumulated under the employment and security laws of one or more states or under one or more such laws of the federal government, or both, may constitute the basis for the payment of benefits through a single appropriate agency under terms which the director finds will be fair and reasonable as to all affected interests and will not result in any substantial loss to the fund;

(3) Wages or services, upon the basis of which an individual may become entitled to benefits under an employment and security law of another state or of the federal government, shall be deemed to be wages for insured work for the purpose of determining his rights to benefits under this act, and wages for insured work, on the basis of which an individual may become entitled to benefits under this act shall be deemed to be wages or services on the basis of which unemployment compensation under such law of another state or of the federal government is payable, but no such arrangement shall be entered into unless it contains provisions for reimbursements to the fund for such of the benefits paid under this act upon the basis of such wages or service, and provisions for reimbursements from the fund for such of the compensation paid under such other law upon the basis of wages for insured work, as the director finds will be fair and reasonable as to all affected interests; and,

(4) Contributions due under this act with respect to wages for insured work shall for the purpose of section 4337-34 of this act be deemed to have been paid to the fund as of the date payment was made as contributions therefor under another state or federal employment and security law, but no such arrangements shall be entered into unless it contains provisions for such reimbursement to the fund of such contributions and the actual earnings thereon as the director finds will be fair and reasonable as to all affected interests.

B. Reimbursements paid from the fund pursuant to paragraph (3) of subsection A of this section shall be deemed to be benefits for the purposes of sections 4337-23 and 4337-25 B of this act. The director is authorized to make to other state or federal agencies and to receive from such other state or federal agencies, reimbursements from or to the fund, in accordance with arrangements entered into pursuant to subsection A of this section.

C. The administration of this act and of other state and federal employment and security and public employment service laws will be promoted by cooperation between this state and such other states and the appropriate federal agencies in exchanging services, and making available facilities and information, the director is therefore authorized to make such investigation and audits, secure and transmit such information, make available such services and facilities and exercise such of the other powers provided herein with respect to the administration of this act as he deems necessary or appropriate to facilitate the administration of any such employment and security or public employment service law, and in like manner, to accept and utilize information, services and facilities made available to this state by the agency charged with the

administration of any such other employment and security or public employment service law.

D. To the extent permissible under the laws and Constitution of the United States, the director is authorized to enter into or cooperate in arrangements whereby facilities and services provided under this act and facilities and services provided under the employment and security law of any foreign government, may be utilized for the taking of claims and the payment of benefits under the employment and security law of this state or under a similar law of such government.

E. The director shall fully cooperate with the agencies of other states, and shall make every proper effort within its means, to oppose and prevent any further action which would in its judgment tend to effect complete or substantial federalization of state unemployment compensation funds or state employment security programs.

Sec. 9. **Law amended.**—Mason's Supplement 1940, Section 4337-34, Subsections B and C, as amended by Laws 1941, Chapter 554, is hereby amended to read as follows:

B. **Collection of contributions—failure to make report.**—*(1)* Any employer who knowingly fails to make and submit to the division of employment and security any report of wages paid by or due from him for insured work in the manner and at he time such report is required by regulations prescribed by the director shall pay to the division of employment and security for the fund an amount equal to one per cent of contributions accrued during the period for which such report is required, for each month from and after such due date until such report is properly made and submitted to the division of employment and security. In no case shall the amount of the penalty imposed hereby be less than *$5.00 except that in cases where the contribution is less than $10.00 the penalty shall be $1.00.* Any employing unit which fails to make and submit to the director any report, other than one of wages paid or payable for insured work, as and when required by the regulations of the director, shall be *subject to a penalty in the sum of $10.00 payable* to the division of employment and security for the *unemployment compensation* fund. All such penalties shall be in addition to interest and any other penalties provided for by this act and shall be collected by civil action as hereinafter provided.

(2) If any employing unit required by this chapter to make and submit contribution reports shall fail to do so within the time prescribed by this chapter or by regulations under the authority thereof, or shall make, wilfully or otherwise, an incorrect, false or fraudulent contribution report, he shall, on the written demand of the director, make such contribution report, or corrected report,

within 10 days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the director shall make for him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within 10 days after the director has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the director on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the director may, if he finds it substantially correct, substitute it for the director's report. If an employer has failed to submit any report of wages paid, or has filed an incorrect report, and the director finds that such noncompliance with the terms of this act was not wilfull and that such employer was free from fraudulent intent, the director shall limit the charge against such employer to the period of the year in which such condition has been found to exist and for the preceeding calendar year.

C. 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 this act 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 employment and security fund provided for under the provisions of this act. 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 of contributions or interest thereon shall be commenced more than four years after the contributions have been reported 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 this act.

D. The director, or any officer or employee of the state division of employment and security authorized in writing by the director, is authorized to enter into an agreement in writing with any employer relating to the liability of such employer in respect to delinquent contributions, interest, penalties, and costs; provided however, that such agreement shall not be made in respect to liability for the principal sum of delinquent contributions unless the same has been delinquent for a period of at least four years prior to the making of such agreement. The director may also enter into an agreement, with respect to liability for delinquent contributions, interest, penalties and costs, with any employer who has never paid any contributions to the fund and such failure to pay contributions was, in the opinion of the director, due to an honest belief on the part of such employer that he was not covered by this act. Any agreements made under this subsection shall be subject to the approval of the attorney general and a summary of any such agreements shall be published in the next succeeding annual report of the director to the governor.

If such agreements are approved by the director and the attorney general, the same shall be final and conclusive; and, except upon a showing of fraud or malfeasance or misrepresentation of a material fact, the case shall not be reopened as to the matters agreed upon or the agreement modified by any officer, employee or agent of the state; and, in any suit, action or proceeding such agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance therewith, shall not be annulled, modified, set aside or destroyed.

Sec. 10. **Date effective.**—This act shall take effect and be in force from and after its passage, unless otherwise specifically provided therein, except that sections 4337-22, 4337-25, 4337-26, 4337-27, and 4337-28, Mason's Supplement 1940, as amended by Laws 1941, Chapter 554 and as amended by this act shall take effect and be in force from and after July 1, 1943; provided further, that section 4337-22, 4337-25 and 4337-26, Mason's Supplement 1940, as amended by Laws 1941, Chapter 554 and as amended by this act shall not affect the determination of, or rights to, benefits with respect to claims filed prior to July 1, 1943.

Approved April 24, 1943.