

except income from swamp land trust fund, and except the income to the University of Minnesota and the income to the account of disabled persons receiving vocational training, and except all federal aid, contributions or reimbursements received for any account of any division, institution or department for which an appropriation is made in this act, all income, including fees or receipts of any nature whatsoever, shall be deposited in and for the benefit of the general revenue fund.

Approved April 28, 1947.

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#### CHAPTER 600—H. F. No. 631

*An act relating to unemployment compensation amending Minnesota Statutes 1945, Section 268.06, Subdivision 20, Section 268.10, Subdivision 4, Section 268.11, Subdivision 3, Section 268.12, Subdivisions 3, 5, and 6, and adding to Section 268.12 new matter as Subdivision 14.*

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

Section 1. Minnesota Statutes 1945, Section 268.10, Subdivision 4, is amended to read as follows:

**268.10. Claims for benefits. Subd. 4. Appeal tribunals.** 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 \$15.00 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.

Sec. 2. Minnesota Statutes 1945, Section 268.11, Subdivision 3, is amended to read as follows:

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

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

(3) (a) The director shall approve all such written elections where, if such elections were not approved, the employing unit as a contractor or a subcontractor or otherwise, together with the individuals in his employ, under another employing unit, would be deemed employees of such other employing unit, as described in section 268.04, subdivision 9;

(b) Any such employing unit which has heretofore filed such written elections, or which has heretofore paid to the

director quarterly contributions and has made the wage reports required hereunder, shall, in case the initial contributions and reports so paid and made have been accepted by the director and the money not refunded, be deemed to be elected employers hereunder, and the services performed by its employees shall be deemed employment, and such employing unit shall be liable for any contributions which may now be due or which were refunded after the payment and acceptance of the initial contribution.

*Provided, however, that the director in his discretion may on his own motion terminate any election agreement under this subdivision upon 30 days notice to the employer.*

Sec. 3. Minnesota Statutes 1945, Section 268.12, Subdivision 3, is amended to read as follows:

**268.12. Administration. Subd. 3. Rules and regulations.** *Notwithstanding any inconsistent provision of law the director is hereby authorized to adopt, amend, or rescind regulations as may be necessary for the administration of sections 268.03 to 268.24 inclusive. Each proposed regulation, excepting those relating solely to the internal operation of the division, shall be published in one or more newspapers of general circulation in this state and be filed with the Secretary of State prior to the time of publication. Any person or association desiring a copy of any proposed regulations shall file with the director a written request therefor, containing his or its name and address. For a period of two years after the filing of such request the director, at or prior to the time of any publication, shall mail to such person or association a copy of such proposed regulations. Each such proposed regulation shall become final and effective ten days after the publication thereof. Any employer, employee, or other person whose interest is or may be affected thereby may object to any such proposed regulation within ten days after publication thereof by filing with the director a petition setting forth the grounds of objection to the proposed regulation and request a hearing thereon, whereupon a hearing shall thereafter be had before the director or his duly authorized representative at a time and place designated by the director or such representative after due notice of said hearing has been served by registered mail, upon the objecting party or parties not less than ten days before said hearing. In the event that the director elects to amend such regulation after such hearing, then such amended regulation shall be filed with the Secretary of State and a copy thereof mailed to each of the persons and associations who have filed a request*

*for copies of proposed regulations as provided herein, and such amended regulation shall become effective five days after such filing and mailing. This act shall not apply to rules and regulations now in effect.*

Sec. 4. Minnesota Statutes 1945, Section 268.12, Subdivision 5, is amended to read as follows:

**268.12. Administration. Subd. 5. Assistance.** (1) Subject to the provisions of the state civil service act and to the other provisions of sections 268.03 to 268.24 the director is authorized to appoint, and prescribe the duties and powers of, such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of his duties thereunder. The director may delegate to any such person so appointed such power and authority as he deems reasonable and proper for the effective administration of those sections and may, in his discretion, bond any person handling moneys or signing checks thereunder. The director is authorized to adopt such *personnel and fiscal* regulations as he deems necessary to *satisfy fiscal and personnel standards required* by the Social Security Administration pursuant to the Social Security Act, as amended, and the act of Congress entitled "An act to provide for the establishment of a national employment system and to cooperate with the states in the promotion of such system and for other purposes," approved June 6, 1933, as amended. *The director may, subject to the approval of the Commissioner of Administration, also adopt regulations relating to reimbursement to division employees for travel expenses incurred while traveling on official business including allowances on a per diem basis in lieu of actual subsistence expenses incurred.*

The attorney general shall appoint an assistant attorney general, to be in addition to the number now authorized by law, who shall be the attorney and the chief counsel for the division of employment and security. Such assistant attorney general shall receive the same salary as the other assistant attorneys general, but devote his entire time to this division. This assistant attorney general shall have the power to act for and represent the attorney general in all matters in which the attorney general is authorized to act for the director by these sections. The compensation and all expenses and disbursements of such assistant attorney general shall be paid from the moneys appropriated to and for the use of the director.

(2) (a) No officer or employee engaged in the administration of these sections shall use his official authority to

influence for the purpose of interfering with an election or affecting the results thereof. No person engaged in the administration of these sections who holds a position in the state classified service pursuant to provisions contained in the state civil service act, while retaining the right to vote as he pleases and to express privately his opinion on all political subjects, shall take an active part in political management or campaigns;

(b) No officer or employee engaged in the administration of these sections shall solicit or receive or be in any manner concerned in soliciting or receiving any assessment, subscription, or contribution for any political purpose for any person;

(c) No officer or employee engaged in the administration of these sections shall, for political purposes, furnish or disclose, or aid or assist in furnishing or disclosing, any list or names of persons obtained in the administration of these sections, to a political candidate, committee, campaign manager, or to any person for delivery to a political candidate, committee, or campaign manager, and it shall be unlawful for any person to receive any such list or names for political purposes.

Sec. 5. Minnesota Statutes 1945, Section 268.12, Subdivision 6, is amended to read as follows:

**268.12. Administration. Subd. 6. State and local advisory councils.** The *governor* shall appoint a state advisory council and may appoint such local advisory councils as he deems advisable, composed in each case of an equal number of employer and employee representatives who shall be selected because of their vocation, employment, or affiliation, and of such members representing the general public as *he* may designate. Such councils shall aid the director in formulating policies and discussing problems relating to the administration of sections 268.03 to 268.24 and in assuring impartiality and freedom from political influence in the solution of such problems. The members of such advisory councils shall serve at the pleasure of the governor and may be paid a fee of not more than \$15.00 per day for active service on such councils in lieu of remuneration for such service and subsistence and shall be reimbursed for any necessary traveling expenses at the rate of five cents per mile.

Sec. 6. Minnesota Statutes 1945, Section 268.12, is amended by adding as Subdivision 14 thereof the following language:

**268.12. Administration. Subd. 14. Permanent employee appointments.** *Notwithstanding any inconsistent law relating to the suspension, during the war emergency, of permanent appointments under the state civil service act, the director may, at any time after the date when this subdivision becomes effective, make permanent appointments of persons required for the administration of sections 268.03 to 268.24 from eligible registers established under the state civil service act.*

Sec. 7. Minnesota Statutes 1945, Section 268.06, Subdivision 20, is amended to read as follows:

**268.06. Contributions from employers. Subd. 20. Redetermination of rate.** The director may in his discretion within *sixty days* from the date of mailing such notice order a redetermination or review of any benefit charged 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 ten 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 or [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. Decisions of the director made upon appeal from a decision of the referee shall be reviewed by the Supreme Court upon certiorari in accordance with the procedure outlined therefor with respect to benefit decisions.

Approved April 28, 1947.