provided, that claims under this clause shall not be allowed if the assignor carried workmen's compensation insurance as provided by law at the time the injury was sustained;

(3) Wages, except cash value of all compensation paid in any <u>medium other than cash</u>, of servants, laborers, mechanics, and clerks for services performed for the debtor within three months next preceding the assignment shall next be paid in full if there be sufficient wherewith to do so, and, if not, they shall be paid pro rata; but, to entitle any creditor to payment under this clause, his proof of claim must set forth facts showing that he is entitled hereunder;

(4) The cash value of all compensation paid in any medium other than cash, including but not limited to credits for vacation pay, sick leave and other fringe benefits past earned with a cash value;

(4) (5) All other debts shall be paid in full if there be sufficient left wherewith to do so, and, if not, they shall be paid pro rata; provided, that no debt for which the creditor holds a mortgage, pledge, or other security shall be paid until he has exhausted his security, or has surrendered it to the assignee.

Approved June 4, 1971.

## CHAPTER 742-S.F.No.1380

An act relating to homestead property tax relief; revising the computation of reduction of property taxes; amending Minnesota Statutes 1969, Section 273.135, Subdivision 3.

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

Section 1. Minnesota Statutes 1969, Section 273.135, Subdivision 3, is amended to read:

Subd. 3. TAXATION; HOMESTEAD REDUCTION. The amount of the reduction in property taxes authorized in subdivision 1 and prescribed in subdivision 2 shall, in no event, exceed \$190. The amount of the reduction-in taxes prescribed in subdivision 2 with respect to taxes levied in the year 1968, payable in 1969 and subsequent years shall, in no event, exceed an amount determined by applying the applicable percentage reduction as of the applicable assessment date to the amount of taxes levied and assessed against the property in the year 1968. With respect to property which in

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1968-was not assessed within the classes specified in subdivision 1 but which is thereafter so classified, the amount of the reduction for the applicable assessment date shall-be determined by applying the applicable percentage specified in subdivision 2 to an amount equal to the amount of the taxes which would have been levied and assessed against such property had it been so classified in 1968.

Approved June 4, 1971.

## CHAPTER 743—S.F.No.1621

An act relating to education; termination of teachers contracts; access of records and evaluations to teachers; amending Minnesota Statutes 1969, Section 125.12, Subdivision 6.

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

Section 1. Minnesota Statutes 1969, Section 125.12, Subdivision 6, is amended to read:

Subd. 6. EDUCATION; TEACHERS; ACCESS TO PERSON-NEL RECORDS; GROUNDS FOR TERMINATION. A continuing contract may be terminated, effective at the close of the school year, upon any of the following grounds:

(a) Inefficiency;

(b) Neglect of duty, or persistent violation of school laws, rules, regulations, or directives;

(c) Conduct unbecoming a teacher which materially impairs his educational effectiveness;

(d) Other good and sufficient grounds rendering the teacher unfit to perform his duties; or

(e) Discontinuance of position, lack of pupils, or merger of classes caused by consolidation of districts or otherwise, provided that in the event of a consolidation of school districts, continuing-contract teachers on the staffs of participating districts shall be retained on the staff of the consolidated district in positions for which they are qualified under state law and state board regulations to the extent that such positions exist.

Changes or additions indicated by underline, deletions by strikeout.