

## CHAPTER 717—S.F.No.2119

[Coded in Part]

An act relating to welfare; implementing provisions of the social security amendments of 1972; repealing certain obsolete statutory provisions; providing for the centralized disbursement of medical assistance payments; appropriating money; amending Minnesota Statutes 1971, Chapter 144, by adding a section; Sections 6.20; 98.47, Subdivision 8; 245.0313; 253A.15, Subdivision 11; 256.01, Subdivision 2; 256.12, Subdivision 10; 256.462, Subdivision 3; 256.935; 256.98; 256B.02, Subdivision 3; 256B.06; 256B.09; 256B.22; 260.38; 261.03; 261.063; 261.07, Subdivision 2; 275.50, Subdivision 5; 393.06; 393.07, Subdivisions 2 and 6; 462.485; 573.02, Subdivision 1; and Chapter 256B, by adding sections; repealing Minnesota Statutes 1971, Sections 245.033; 256.11; 256.12, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 16, and 17; 256.13 to 256.23; 256.26; 256.27 to 256.461; 256.462, Subdivisions 1, 4, 5, 6, and 7; 256.463 to 256.64; 256.66 to 256.71; and 256.73, Subdivision 3.

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

Section 1. Minnesota Statutes 1971, Chapter 144, is amended by adding a section to read:

[144.068] PUBLIC WELFARE; REVISION; IMPLEMENTATION OF SOCIAL SECURITY AMENDMENTS OF 1972. The state board of health shall implement by rule, pursuant to the administrative procedures act, those provisions of the social security amendments of 1972 (P.L. 92-603) required of state health agencies, including rules which:

(a) establish a plan, consistent with regulations prescribed by the secretary of health, education, and welfare, for the review by appropriate professional health personnel, of the appropriateness and quality of care and services furnished to recipients of medical assistance; and

(b) provide for the determination as to whether institutions and agencies meet the requirements for participation in the medical assistance program, and the certification that those requirements, including utilization review, are being met.

Sec. 2. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.041] CENTRALIZED DISBURSEMENT OF MEDICAL ASSISTANCE PAYMENTS. Subdivision 1. The state agency shall establish on a statewide basis a system for the centralized disbursement of medical assistance payments to vendors.

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

Subd. 2. An account is established in the state treasury from which medical assistance payments to vendors shall be made. Into such account there shall be deposited federal funds, state funds, and other moneys which are available and which may be paid to the state agency for medical assistance payments and reimbursements from counties or others for their share of such payments.

Subd. 3. The state agency shall prescribe and furnish vendors suitable forms for submitting claims under the medical assistance program.

Subd. 4. The state agency in establishing a statewide system of centralized disbursement of medical assistance payments shall comply with federal requirements in order to receive the maximum amount of federal funds which are available for the purpose, together with such additional federal funds which may be made available for the operation of a centralized system of disbursement of medical assistance payments to vendors.

Subd. 5. If required by federal law or rules promulgated thereunder, or by authorized regulation of the state agency, each county shall pay to the state treasurer the portion of medical assistance paid by the state for which it is responsible. The county's share of cost shall be 50 percent of that portion not met by federal funds.

Subd. 6. The commissioners of public welfare and administration may contract with any agency of government or any corporation for providing all or a portion of the services for carrying out the provisions of section 2.

Subd. 7. Federal funds available for administrative purposes shall be distributed between the state and the county on the same basis that reimbursements are earned.

Sec. 3. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.061] ELIGIBILITY. If any individual has been determined to be eligible for medical assistance, it will be made available to him for care and services included under the plan and furnished in or after the third month before the month in which he made application for such assistance, if such individual was, or upon application would have been, eligible for medical assistance at the time the care and services were furnished.

Sec. 4. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.062] CONTINUED ELIGIBILITY. Any family which was eligible for medical assistance in at least three of the six

Changes or additions indicated by underline, deletions by strikeout.

months immediately preceding the month in which such family became ineligible for medical assistance because of increased income from employment shall, while a member of such family is employed, remain eligible for medical assistance for four calendar months following the month in which such family would otherwise be determined to be ineligible due to the income and resources limitations of chapter 256B.

Sec. 5. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.063] COST SHARING. Notwithstanding the provisions of section 256B.05, subdivision 2, the commissioner is authorized to promulgate rules pursuant to the administrative procedures act, and to require a nominal enrollment fee, premium, or similar charge for recipients of medical assistance, if and to the extent required by applicable federal regulation.

Sec. 6. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.064] INELIGIBLE PROVIDER. The commissioner is authorized to terminate payments under chapter 256B to any person or facility providing medical assistance which, under applicable federal law or regulation, has been finally determined to be ineligible for payments under Title XIX of the Social Security Act.

Sec. 7. Minnesota Statutes 1971, Chapter 256B, is amended by adding a section to read:

[256B.065] SOCIAL SECURITY AMENDMENTS. The commissioner shall comply with requirements of the social security amendments of 1972 (P.L. 92-603) necessary in order to avoid loss of federal funds, and shall implement by rule, pursuant to the administrative procedures act, those provisions required of state agencies supervising Title XIX of the Social Security Act.

Sec. 8. Minnesota Statutes 1971, Section 6.20, is amended to read:

**6.20 GRANTS FROM UNITED STATES, USE.** All funds received by the state from the government of the United States as grants in aid for the purpose of assisting in paying old age benefits, or financing of aid to dependent children, or commonly called "mothers' pensions," or aid to the blind, or for maternal and child health services, or for the care of crippled children, or for the care of neglected children and child welfare generally, or for vocational rehabilitation, or for the extension of public health services, or for any other public assistance or public welfare purpose shall be used solely for the purpose for which the grant was made. Any interest or income arising from the funds so

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

granted shall be accredited by the state treasurer to the particular account for which the grant was made and used solely for the purpose of that grant or repaid to the United States Treasury as the proper authorities or the government of the United States may require.

Sec. 9. Minnesota Statutes 1971, Section 98.47, Subdivision 8, is amended to read:

Subd. 8. A license to take fish shall be issued to any citizen of Minnesota ~~receiving old age assistance, or who is a recipient of supplemental security income for the aged, blind, and disabled,~~ without charge.

Sec. 10. Minnesota Statutes 1971, Section 245.0313, is amended to read:

**245.0313 AID TO THE DISABLED; MENTALLY RETARDED.** ~~Notwithstanding any provision of law to the contrary, the commissioner of public welfare may license all or any portion of a public institution under his control as a medical facility for skilled nursing home care of the mentally retarded as prescribed by the provisions of section 144.583.~~

Notwithstanding any provision of law to the contrary, the cost of care not met by federal funds for any mentally retarded patient eligible for the medical assistance program or aid to the supplemental security income for the aged, blind and the disabled program in institutions under the control of the commissioner of public welfare shall be paid for from state funds.

Sec. 11. Minnesota Statutes 1971, Section 253A.15, Subdivision 11, is amended to read:

Subd. 11. The head of any hospital, upon the provisional discharge, partial hospitalization, or release of any patient hospitalized under sections 253A.01 to 253A.21, shall notify the welfare board and in the event the patient is a drug dependent person the community mental health center of the county of such patient's residence before the patient is to leave the hospital, and the welfare board shall thereupon notify the patient's family. Whenever possible said notice shall be given at least one week before the patient is to leave the hospital. The commissioner shall provide by regulation the procedure and methods whereby such patient shall be helped to receive all public assistance benefits of old age assistance, direct relief, or other benefits provided by state or federal law to which his residence and circumstances entitle him. Such regulations shall be uniformly applied in all counties, and all counties shall provide temporary relief whenever necessary to meet the intent of this section.

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

Sec. 12. Minnesota Statutes 1971, Section 256.01, Subdivision 2, is amended to read:

Subd. 2. **SPECIFIC POWERS.** Subject to the provisions of Minnesota Statutes 1967, Section 241.021, Subdivision 2, the commissioner of public welfare shall:

(1) Administer and supervise all forms of public assistance ~~in the provided for by state including general relief, relief to transients and state homeless, old age assistance, aid to dependent children, aid to the blind and otherwise handicapped persons law~~ and such other welfare activities or services as may from time to time be vested in the commissioner. Nothing herein shall transfer from the veterans home board any of its present rights, powers, or duties, all of which shall continue to be exercised by said board.

(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting defective, illegitimate, dependent, neglected and delinquent children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all non-institutional service to handicapped persons, including the blind, the deaf, the tuberculous, the crippled, and otherwise handicapped persons. The authority and power conferred by this subdivision shall include the authority and power to provide and contract for the care and treatment of qualified indigent children, as defined in section 250.02, in facilities other than those located and available at the Gillette state hospital for crippled children when it is not feasible to provide such service in that hospital.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, Chapter 431, including the establishment of an efficient working relationship with the director of institutions relating to the care and supervision of individuals both prior to and after departure from institutions under the supervision of said director of institutions.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, Chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, Chapter 431, and including the promulgation of rules and regulations making uniformly available medical care benefits to all recipients of public assistance, at such times as

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

the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain such administrative units as may reasonably be necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise such additional welfare activities and services as may, from time to time, hereafter be vested by law in the state department.

~~(8) Establish within his department a bureau of old age assistance, of aid to dependent children, and a bureau of child welfare.~~

~~(9)~~ (8) The commissioner is hereby specifically constituted as guardian of both the estate and the person of all the wards of the state of Minnesota and other persons the guardianship of whom has been heretofore vested in the state board of control, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as feeble-minded or epileptic. All of said guardianships, and the funds and property of the same, are hereby transferred to and vested in said commissioner, and said commissioner is hereby constituted a legal entity and is hereby empowered to act as guardian under any laws of this state heretofore conferring such powers upon the state board of control.

~~(10)~~ (9) All the powers and duties vested in or imposed upon the director of public institutions with reference to the Minnesota state sanatorium are hereby transferred to, vested in, and imposed upon the commissioner of public welfare. The commissioner of public welfare shall appoint the superintendent of the Minnesota state sanatorium, but shall not have the power to fix his salary.

~~(11)~~ (10) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

~~(12)~~ (11) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

~~(13)~~ (12) Establish county, regional, or state-wide schedules of maximum fees and charges which may be paid by county welfare boards for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under the categorical aid programs medical assistance program.

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

(14) (13) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of public welfare is authorized to waive the enforcement of existing specific statutory program requirements, regulations, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the Secretary of the Senate and Chief Clerk of the House of Representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to state-wide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory committee and filed with the commissioner of administration.

(15) (14) In accordance with federal requirements establish procedures to be followed by county welfare boards in creating citizen advisory committees including procedures for selection of committee members.

Sec. 13. Minnesota Statutes 1971, Section 256.12, Subdivision 10, is amended to read:

Subd. 10. **STATE AGENCY.** As used in sections ~~256.11 to 256.43, 256.49 to 256.71, and 256.72 to 256.87,~~ the term "state agency" means the commissioner of public welfare in the department of public welfare.

Sec. 14. Minnesota Statutes 1971, Section 256.462, Subdivision 3, is amended to read:

Subd. 3. **RECOVERY OF ASSISTANCE FURNISHED; AP-  
PORTIONMENT.** When any amount shall be recovered from any source for assistance furnished under the provisions of sections ~~256.451 to 256.475~~ any public assistance program, there shall be paid to the United States the amount which shall be due under the terms of the social security act, and the balance thereof shall be

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

paid into the treasuries of the state and county, substantially in the proportion in which they respectively contributed toward the total assistance paid. The amount due the respective participating units of government shall be determined by rule and regulation adopted by the commissioner of public welfare pursuant to a formula of reimbursement prescribed or authorized by the federal social security administration.

Sec. 15. Minnesota Statutes 1971, Section 256.935, is amended to read:

**256.935 FUNERAL EXPENSES, PAYMENT BY COUNTY AGENCY; PREPAID FUNERAL CONTRACTS, EFFECT UPON ELIGIBILITY FOR PUBLIC ASSISTANCE.** Subdivision 1. On the death of any person receiving public assistance through ~~old-age assistance, aid to the blind, aid to the disabled, or aid to dependent~~ children, the county agency shall pay an amount for funeral expenses not exceeding \$370 and actual cemetery charges. No funeral expenses shall be paid if the estate of the deceased is sufficient to pay such expenses or if the children, or spouse, who were legally responsible for the support of the deceased during his lifetime, are able to pay such expenses; provided, that the additional payment or donation of the cost of cemetery lot, interment, religious service, or for the transportation of the body into or out of the community in which the deceased resided, shall not limit payment by the county agency as herein authorized. Freedom of choice in the selection of a funeral director shall be granted to persons lawfully authorized to make arrangements for the burial of any such deceased recipient. In determining the sufficiency of such estate, due regard shall be had for the nature and marketability of the assets of the estate. The county agency may grant funeral expenses where the sale would cause undue loss to the estate. Any amount paid for funeral expenses shall be a prior claim against the estate, as provided in section 524.44, and any amount recovered shall be reimbursed to the agency which paid the expenses. The state shall reimburse the county for 50 percent of any payments made for funeral expenses.

Subd. 2. In determining eligibility for public assistance through ~~old-age assistance, aid to the blind, aid to the disabled,~~ aid to families with dependent children, or medical assistance, a prepaid funeral contract not in excess of \$750 per person, plus accrued interest of not more than \$200, shall not be considered as resources or assets and may be owned in addition to other property.

Sec. 16. Minnesota Statutes 1971, Section 256.98, is amended to read:

**256.98 WRONGFULLY OBTAINING ASSISTANCE; MISDEMEANOR.** Whoever obtains, or attempts to obtain, or aids or abets

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



any person to obtain by means of a wilfully false statement or representation, or by impersonation or other fraudulent device, assistance to which he is not entitled, or assistance greater than that to which he is entitled, or knowingly aids or abets in buying or in any way disposing of the property of a recipient of assistance without the consent of the county agency with intent to defeat the purposes of Minnesota Statutes 1971, Sections 256.451 to 256.475, 256.13 to 256.43, 256.49 to 256.71, 256.72 to 256.87, or chapter 256B, shall be guilty of a misdemeanor. The amount of any assistance paid incorrectly by way of the aforementioned means and established by judicial determination shall be recoverable from the recipient or his estate by the county as a debt due the county. Any amounts recovered shall be paid to the appropriate units of government in the same manner as provided in section 256.863.

Sec. 17. Minnesota Statutes 1971, Section 256B.02, Subdivision 3, is amended to read:

Subd. 3. "County of financial responsibility" means:

(a) For an applicant who resides in this state, the county in which he last resided for one year of unexcluded time. If he does not have one year of unexcluded time, the county in which he resided for the longest period of unexcluded time.

(b) For an applicant who has not resided in this state for a full year, the county in which he has resided the longest period of unexcluded time.

(c) For an applicant who has not resided in this state for any period of unexcluded time, the county in which he resides at the time of making application.

(d) The above provisions notwithstanding, the county of financial responsibility for medical assistance shall always be the same county as that from which a recipient is receiving a maintenance grant or money payment under the ~~old age assistance, aid to blind, aid to families with dependent children, aid to disabled, or general relief~~ program.

Sec. 18. Minnesota Statutes 1971, Section 256B.06, is amended to read:

**256B.06 ELIGIBILITY REQUIREMENTS.** Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance under the ~~old age assistance, aid to families with dependent children, aid to the blind, or aid to the disabled programs~~ program; or

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

(2) Who except for the amount of income or resources would qualify for ~~old age assistance~~, aid to families with dependent children, ~~aid to the blind~~, or ~~aid to the disabled~~ and is in need of medical assistance; or

(3) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(4) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(5) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(6) Who alone, or together with his spouse, does not have equity in real property in excess of \$15,000; and

(7) Who, if single, does not have more than \$750 in cash or liquid assets or, if married, whose cash or liquid assets do not exceed \$1,000 plus \$150 for each additional legal dependent; and

(8) Who has or anticipates receiving an annual income not in excess of \$1,740 for a single person, or \$2,424 for two family members (man and wife, parent and child, or two siblings), plus \$516 for each additional legal dependent, or who has income in excess of these maxima and in the month of application (or during the three months prior to the month of application) incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In such excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred.

Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, both excess income and income over and above that required for justified needs are to be applied to the cost of institutional care; and

(9) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from health and accident insurance policies on the costs of medical care for himself, his spouse, and children.

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

Subd. 2. Medical assistance shall also be paid for any person who is a recipient of, or is eligible for, supplemental security income for the aged, blind and disabled, who meets the criteria of subdivision 1.

Sec. 19. Minnesota Statutes 1971, Section 256B.09, is amended to read:

**256B.09 INVESTIGATIONS.** When an application for medical assistance hereunder is filed with a county agency, such county agency shall promptly make or cause to be made such investigation as it may deem necessary. The object of such investigation shall be to ascertain the facts supporting the application made hereunder and such other information as may be required by the rules of the state agency. Upon the completion of such investigation the county agency shall promptly determine eligibility. No approval by the county agency shall be required prior to payment for medical care provided to recipients determined to be eligible pursuant to this section.

Sec. 20. Minnesota Statutes 1971, Section 256B.22, is amended to read:

**256B.22 COMPLIANCE WITH SOCIAL SECURITY ACT.** The various terms and provisions hereof, including the amount of medical assistance paid hereunder, are intended to comply with and give effect to the program set out in Title XIX of the federal Social Security Act as amended by Public Law 89-97. In the event that. During any period when federal funds shall not be available or shall be inadequate to pay in full the federal share of all medical assistance contemplated hereunder, then and in such case, and until federal funds are available in full, the county agency of each county may reduce its payments by an amount equal to such deficiency as defined in Title XIX of the federal Social Security Act, as amended by Public Law 92-603, the state may reduce by an amount equal to such deficiency the payments it would otherwise be obligated to make pursuant to section 256B.041.

Sec. 21. Minnesota Statutes 1971, Section 260.38, is amended to read:

**260.38 COST, PAYMENT.** In addition to the usual care and services given by public and private agencies, the necessary cost incurred by the commissioner of public welfare in providing care for such child shall be paid by the county committing such child which, subject to uniform regulations established by the commissioner of public welfare, may receive a reimbursement not exceeding one-half of such costs from funds made available for this purpose by the legislature. Where such child is eligible to receive a grant of aid to families with dependent children, ~~aid to disabled, or~~

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

aid to the supplemental security income for the aged, blind, and disabled, his needs shall be met through these programs.

Sec. 22. Minnesota Statutes 1971, Section 261.03, is amended to read:

**261.03 LIABILITY OF COUNTY, TOWN, CITY, OR VILLAGE.** When any such poor person has none of the relatives named in section 261.01, or they are not of sufficient ability, or refuse or fail, to support him, he shall receive such support or relief as the case may require from the county, town, city, or village in which he has a settlement at the time of applying therefor, as hereinafter provided, ~~except that in determining the need or amount of such support or relief the county, town, city, or village shall exclude all sums received by members or dependents of such poor person's family under the aid to the blind act.~~

Sec. 23. Minnesota Statutes 1971, Section 261.063, is amended to read:

**261.063 TAX LEVY FOR SOCIAL SECURITY MEASURES; DUTIES OF COUNTY BOARD.** The board of county commissioners of each county shall annually levy taxes and fix a rate sufficient to produce the full amount required for ~~old age assistance~~, aid to dependent children, and any other social security measures wherein there is now or may hereafter be county participation, sufficient to produce the full amount necessary for each such item, including administrative expenses, for the ensuing year, within the time fixed by law in addition to all other tax levies and tax rates, however fixed or determined, and any commissioner who shall fail to comply herewith shall be guilty of a gross misdemeanor and shall be immediately removed from office by the governor.

Sec. 24. Minnesota Statutes 1971, Section 261.07, Subdivision 2, is amended to read:

Subd. 2. The time during which a person has received ~~old age assistance or~~ aid to dependent children, or has been the inmate of a hospital, old age home, or nursing home for the care of the invalid or aged, or an institution, home or school for the mentally deficient, whether public or private, and the time during the pendency of any suit to determine his legal poor settlement, and the time during which a person has been an inmate of a poorhouse, jail, prison or other public institution, or under commitment to the guardianship of the commissioner of public welfare, or a private agency authorized by the commissioner to accept guardianship of children, or one of the state institutions as a mentally deficient, delinquent, or dependent person, and each month during which he has received relief from the poor fund of any county or municipality or from funds supplied by the state or the United States or any department

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

or departments thereof, ~~except a recipient of assistance under the aid to the blind act,~~ supplied as direct relief or in providing work on a relief basis and in lieu of direct relief, shall be excluded in determining the time of residence hereunder.

Sec. 25. Minnesota Statutes 1971, Section 275.50, Subdivision 5, is amended to read:

Subd. 5. "Special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any action other than an action on an explicit contract;

(b) pay the costs of complying with any lawful order issued by the state of Minnesota, or the United States, or any agency or subdivision thereof, or any law enacted by the 1971 legislature which specifically requires an activity which results in increased expenditures of expanded county court systems not in full operation during the entire year 1971;

(c) pay amounts required by any public pension plan to the extent that operation of the laws enacted before July 1, 1971, governing such fund causes the level of governmental financial support to exceed the level of such support prior to July 1, 1971, provided that such increases are not the result of amendment by any means to the benefit plan after July 1, 1971;

(d) pay amounts required by a volunteer firemen's relief association if resulting from operation of section 69.772;

(e) pay the costs to a governmental subdivision for their share of any program otherwise authorized by law for which matching funds have been appropriated by the state of Minnesota or the United States, but only to the extent that the costs to the governmental subdivision for the program exceed those expended in calendar year 1970;

(f) pay expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster;

(g) pay the costs not reimbursed by the state or federal government of payments made to or on behalf of recipients of aid under ~~sections 245.21 to 245.43 (Aid to the Disabled), sections 256.11 to 256.43 (Old Age Assistance), sections 256.49 to 256.71 (Aid to the Blind), sections 256.72 to 256.87 (Aid to Families with Dependent Children), chapter 256B (Medical Assistance), and chapters 261, 262 and 263 (Poor Relief) any public assistance program authorized by law;~~

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

(h) pay the costs of principal and interest on bonded indebtedness.

Sec. 26. Minnesota Statutes 1971, Section 393.06, is amended to read:

**393.06 SALARY AND EXPENSES.** The salaries, office, traveling, and other necessary expenses of the county welfare board, including such amount as may be allowed in the discretion of the county board as compensation for cashing ~~old age assistance and other~~ welfare board checks, shall be paid by the county, except as provided in section 393.01, subdivision 4, and shall be subject to reimbursement out of state and federal funds as may be provided by law.

Sec. 27. Minnesota Statutes 1971, Section 393.07, Subdivision 2, is amended to read:

**Subd. 2. ADMINISTRATION OF PUBLIC WELFARE.** The county welfare board, except as provided in section 393.01, subdivision 3, and subject to the supervision of the commissioner of public welfare, shall administer all forms of public welfare, both for children and adults, responsibility for which now or hereafter may be imposed on the commissioner of public welfare by law, including aid to dependent children, ~~old age assistance, aid to the blind~~ county supplementation, if any, or state aid to recipients of supplemental security income for aged, blind and disabled, child welfare services, mental health services, and other public assistance or public welfare services. The duties of the county welfare board shall be performed in accordance with the standards, rules and regulations which may be promulgated by the commissioner of public welfare to achieve the purposes intended by law and in order to comply with the requirements of the federal social security act in respect to public assistance and child welfare services, so that the state may qualify for grants-in-aid available under that act. The county welfare board shall supervise wards of the commissioner and, when so designated, act as agent of the commissioner of public welfare in the placement of his wards in adoptive homes or in other foster care facilities.

Sec. 28. Minnesota Statutes 1971, Section 393.07, Subdivision 6, is amended to read:

**Subd. 6. PURCHASE OF EQUIPMENT TO AID WELFARE RECIPIENTS.** Every county welfare board authorizing braces, crutches, trusses, wheel chairs and hearing aids for use by recipients of ~~old age assistance~~ supplemental security income for the aged, blind and disabled, aid to families with dependent children, ~~aid to blind~~ and relief shall secure such devices at the lowest cost obtainable conducive to the well being of the recipient and fix the

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

recipient's grant in an amount to cover the cost of the device providing it will be purchased at the lowest cost obtainable, or may make payment for the device directly to the vendor.

Sec. 29. Minnesota Statutes 1971, Section 462.485, is amended to read:

**462.485 VETERANS PREFERENCE.** As between applicants equally in need and eligible for occupancy of a dwelling and at the rent involved, preference shall be given to families of servicemen (including families of servicemen who died in service) and to families of veterans. In admitting families of low income to dwelling accommodations in any housing project an authority shall, as far as is reasonably practicable, give due consideration to families making application for dwelling accommodations to which families aid for dependent children is payable, and to resident families making such application to whom public relief, ~~old-age assistance, or aid to the blind~~ supplemental security income for the aged, blind and disabled shall be payable, when such families are otherwise eligible under the terms of sections 462.411 to 462.711.

Sec. 30. Minnesota Statutes 1971, Section 573.02, Subdivision 1, is amended to read:

**573.02 ACTION FOR DEATH BY WRONGFUL ACT.** Subdivision 1. When death is caused by the wrongful act or omission of any person or corporation, the trustee appointed as provided in subdivision 3 may maintain an action therefor if the decedent might have maintained an action, had he lived, for an injury caused by such wrongful act or omission. The action may be commenced within three years after the act or omission. The recovery in such action is such an amount as the jury deems fair and just in reference to the pecuniary loss resulting from such death, and shall be for the exclusive benefit of the surviving spouse and next of kin, proportionate to the pecuniary loss severally suffered by the death. The court then determines the proportionate pecuniary loss of the persons entitled to the recovery and orders distribution accordingly. Funeral expenses and any demand for the support of the decedent, ~~other than old-age assistance,~~ allowed by the court having jurisdiction of the action, are first deducted and paid.

If an action for such injury was commenced by the decedent and not finally determined during his life, it may be continued by the trustee for recovery of such damages for the exclusive benefit of the surviving spouse and next of kin, proportionate to the pecuniary loss severally suffered by the death. The court on motion shall make an order allowing such continuance and directing pleadings to be made and issues framed as in actions begun under this section.

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

Sec. 31. Any unused funds appropriated to the commissioner of administration from the 1971 legislature by Laws 1971, Chapter 961, Section 4, Subdivision 2, shall not lapse and are hereby reappropriated for the biennium ending June 30, 1975, for the design and implementation of a centralized welfare information system.

Sec. 32. The commissioner of public welfare shall designate the date on which a centralized disbursement system for medical assistance payments shall be established for any geographic area, or group of medical vendors. Prior to the date so designated, the provisions of Minnesota Statutes 1971, Sections 256B.05, Subdivision 2, and 256B.19 shall remain in effect.

Sec. 33. Minnesota Statutes 1971, Sections 245.033; 256.11; 256.12, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 16, and 17; 256.13; 256.14; 256.15; 256.16; 256.17; 256.18; 256.19; 256.20; 256.21; 256.22; 256.23; 256.26; 256.27; 256.28; 256.29; 256.30; 256.32; 256.33; 256.34; 256.35; 256.36; 256.38; 256.39; 256.40; 256.41; 256.42; 256.43; 256.451; 256.452; 256.453; 256.454; 256.455; 256.456; 256.457; 256.458; 256.459; 256.461; 256.462, Subdivisions 1, 4, 5, 6, and 7; 256.463; 256.464; 256.465; 256.466; 256.467; 256.468; 256.469; 256.471; 256.472; 256.473; 256.474; 256.475; 256.49; 256.50; 256.51; 256.515; 256.52; 256.53; 256.54; 256.55; 256.56; 256.57; 256.58; 256.59; 256.60; 256.61; 256.62; 256.63; 256.64; 256.66; 256.67; 256.69; 256.70; 256.71; and 256.73, Subdivision 3, are repealed.

Sec. 34. EFFECTIVE DATE. Sections 1, 2, 3, 6, 7, 19, 20, 31, and 32 shall be effective on July 1, 1973. The remainder of this act shall be effective on January 1, 1974.

Approved May 24, 1973.

---

## CHAPTER 718—S.F.No.2166

[Coded in Part]

*An act relating to the organization and operations of the state government; appropriating money to the department of highways, and for other purposes.*

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

Section 1. **APPROPRIATIONS; HIGHWAY DEPARTMENT.**  
The sums hereinafter set forth and designated "APPROPRIA-

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