

credit life or credit accident and health benefits procured by or through a creditor and for which the premium has been paid by the debtor or debtors out of the proceeds of the indebtedness shall be cancelled upon surrender of the policy, certificate or other evidence, and a refund shall be paid or credited as provided in section 62B.08. If the policy or certificate by its own terms terminates upon prepayment in full before its scheduled maturity date, it need not be surrendered but a refund shall be paid or credited as provided in section 62B.08.

If an indebtedness is prepaid in full before its scheduled maturity date by a new loan from or by refinancing by the same creditor through which the debtor or debtors procured a policy or certificate of credit life or credit accident and health insurance issued after the effective date of this act, the insurance shall be deemed cancelled if any new policy or certificate for the same type of insurance is issued in connection with the new loan or refinancing, and a refund shall be paid or credited as provided in section 62B.08. For the purposes of this subdivision, an assignee creditor and an assignor creditor shall not be construed to be the same creditor.

Sec. 5. Minnesota Statutes 1976, Section 61A.12, is amended by adding a subdivision to read:

Subd. 5. SUBSTITUTION. When a creditor requires credit life insurance, credit accident and health insurance, or both, as additional security for an indebtedness, the debtor shall be given the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him or procuring and furnishing the required coverage through any insurer authorized to transact insurance business in this state. If this subsection is applicable, the debtor shall be informed by the creditor of his right to provide alternative coverage before the transaction is completed.

Approved June 2, 1977.

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#### CHAPTER 383—H.F.No.536

[Coded]

*An act relating to civil service; providing that promotion and place of service are separate considerations; amending Minnesota Statutes 1976, Section 43.19, by adding a subdivision.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1976, Section 43.19, is amended by adding a subdivision to read:

Subd. 5. STATE CIVIL SERVICE; PROMOTIONS; WORK STATION LOCATION. No employee of any agency in the executive branch shall be deemed ineligible for promotion to a position solely because of the location of the employee's current work station or the location of the work station to which the employee would be

Changes or additions indicated by underline deletions by strikethrough

assigned if promoted to that position.

Approved June 2, 1977.

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CHAPTER 384—H.F.No.559

[Coded in Part]

*An act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1976, Section 124.48, is amended to read:

124.48 EDUCATION; STUDENT FINANCIAL AID; INDIAN SCHOLARSHIPS. The state board may award scholarships to any Minnesota resident student who ~~has~~ is of one-fourth or more Indian ~~blood~~ ancestry and who, in the opinion of the board, has the capabilities to ~~profit~~ benefit from education. ~~Scholarship Scholarships~~ shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned. The amount and type of each such scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year he is eligible for additional scholarships, if additional training is necessary to reach his educational and vocational objective. Scholarships may not be given to any Indian student for more than four years of study.

Sec. 2. Minnesota Statutes 1976, Section 136A.121, is amended to read:

136A.121 SCHOLARSHIPS AND GRANTS-IN-AID. Subdivision 1. ELIGIBILITY. An applicant shall be eligible to compete for a scholarship under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

(1) ~~is a citizen of the United States;~~

(2) (1) is a resident of the state of Minnesota;

(3) (2) has met all the requirements for admission as a full time student to an eligible institution of his choice as defined in sections 136A.09 to 136A.131;

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