

from all the counties pursuant to subdivision 8 as the number of Indians living on such reservation bears to all the Indians in Minnesota, ~~according to the census as~~ said percentage is determined by the department of economic development. The amount remaining shall be credited to the nonreservation residents loan account. The amounts credited to each of these special accounts shall be used solely for making loans to Indians, in the manner provided by subdivisions 9 and 10.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 362.40, Subdivision 9, is amended to read:

Subd. 9. A reservation resident desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management assistance, shall make application to the state department of economic development. The department shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which his application may be expected to receive favorable consideration. The tribal council shall recommend to the department that the loan be accepted or rejected. The department shall approve or reject the application taking the tribal council recommendation into consideration. If the application is approved, the department shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the state department of economic development. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer through the department of economic development. The amount so received shall be credited to such reservation residents loan account. The tribal council shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of such reservation residents loan account during the fiscal year. Additional money equal to ten percent of the total amount made available to any tribal council during the fiscal year shall be paid to such council prior to December 31 for the purpose of financing administrative costs.

Sec. 4. Minnesota Statutes 1978, Section 362.40, Subdivision 3 is repealed.

Approved March 28, 1980

---

## CHAPTER 392—S.F.No. 1892

*An act relating to workers' compensation; allowing flexibility in election of insurance coverage for certain businesses, partnerships and corporations; amending Minnesota Statutes, 1979 Supplement, Section 176.012.*

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

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

Section 1. Minnesota Statutes, 1979 Supplement, Section 176.012, is amended to read:

**176.012 ELECTION OF COVERAGE.** For the purposes of this chapter, The persons, partnerships and corporations described in this section may elect to provide the insurance coverage required by this chapter.

(a) An owner or owners of a business or farm, partner or partners of may elect coverage for themselves.

(b) A partnership owning a business or farm, executive officer of may elect coverage for any partner.

(c) A family farm corporation as defined in section 500.24, subdivision 2, clause (c), or an executive officer of may elect coverage for any executive officer.

(d) A closely held corporation which had less than 22,880 hours of payroll in the previous calendar year may elect coverage for any executive officer if that executive officer is also an owner of at least 25 percent of the stock of that the corporation, and the.

The persons, partnerships and corporations described in this section may also elect coverage for an employee who is a spouse, parent, and or child, regardless of age, of the farm or business an owner or owners, partner or partners, or executive officer, who is working therefor, eligible for coverage under this section. Coverage may be elected for a spouse, parent or child whether or not coverage is elected for the related owner, partner or executive director and whether or not employing the person, partnership or corporation employs any other person to perform a service for hire. Any person for whom coverage is elected pursuant to this section shall be included within the meaning of the term employee if the owner, owners, partners, family farm corporation or executive officer of the closely held corporation elect to come under the provisions for the purposes of this chapter, and provide the insurance required. The election provided in this section shall be exercised at the termination of a policy issued under this chapter where such a policy is in effect. In the case of self-insurers the election provided shall be exercised at the termination of a period of approved self-insurance.

Notice of election of coverage or of termination of election under this section shall be provided in writing to the insurer. Coverage or termination of coverage is effective the day following receipt of notice by the insurer or at a subsequent date if so indicated in the notice. The insurance policy shall be endorsed to indicate the names of those persons for whom coverage has been elected or terminated under this section. An election of coverage under this section shall continue in effect as long as a policy or renewal policy of the same insurer is in effect.

Nothing in this section shall be construed to limit the responsibilities of the owners, partners, family farm corporations partnerships or closely held corpora-

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

tions to provide coverage for their employees, if any, as required under this chapter.

Approved March 28, 1980

---

**CHAPTER 393—S.F.No. 2040**

*An act relating to local government; authorizing issuance of general obligation bonds to finance construction of a community hall.*

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

Section 1. The city of Campbell in Wilkin County, Minnesota, may issue its general obligation bonds in the aggregate principal amount of \$50,000 to finance the construction of a community hall facility within the city, pursuant to authorization granted by the electors of the city at a special election held on November 13, 1979, notwithstanding the limitation contained in Minnesota Statutes, Section 475.53, Subdivision 1.

Sec. 2. The city of Fertile, in Polk County, may sell and issue its general obligation bonds in the principal amount of \$350,000 for a community center, as authorized by the electors of the city at the election held on March 6, 1980, notwithstanding the limitation upon net debt of a municipality contained in Minnesota Statutes 1978, Section 475.53, Subdivision 1, or any other law to the contrary.

Sec. 3. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), this act is effective the day following final enactment.

Approved March 28, 1980

---

**CHAPTER 394—H.F.No. 593**

*An act relating to wild animals; clarifying conditions under which raccoons can be taken at night; amending Minnesota Statutes 1978, Section 100.29, Subdivision 10.*

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

Section 1. Minnesota Statutes 1978, Section 100.29, Subdivision 10, is amended to read:

Subd. 10. It shall be unlawful to throw or cast the rays of a spotlight, headlight, or other artificial light on any highway, or in any field, woodland, or forest, for the purpose of spotting, locating or taking any wild animal ~~except raccoons when freed with the aid of dogs while on foot~~, while having in possession or

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