reserves established, of not less than the greater of the initial surplus reduced by \$100,000 or ten percent of the sum of all health service claims incurred, and administrative expenses in connection therewith, during the previous calendar year; but the minimum shall not be required to exceed the financial requirements for surplus required for insurance companies operating upon the stock plan under section 60A.07, subdivision 5a as to those companies described in section 60A.06, subdivision 1, clause 5 (a). The surplus shall not exceed 50 percent of the sum of all health service claims incurred, and administrative expenses in connection therewith, during the previous calendar year unless such amount is less than the initial surplus reduced by \$100,000. The percentage amounts shall be determined from a financial statement and certified audit filed annually and subject to verification of an examination by the commissioner.

Sec. 2. This act is effective the day following its final enactment.

Approved June 2, 1977.

CHAPTER 406—H.F.No.980

An act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

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

Section 1. Minnesota Statutes 1976, Section 144.12, Subdivision 1, is amended to read:

- 144.12 PUBLIC HEALTH; CLINICAL LABORATORIES; REGULATION, ENFORCEMENT, LICENSES, FEES. Subdivision 1. The board may adopt, alter, and enforce reasonable regulations of permanent application throughout the whole or any portion of the state, or for specified periods in parts thereof, for the preservation of the public health. Upon the approval of the attorney general and the due publication thereof, such regulations shall have the force of law, except insofar as they may conflict with a statute or with the charter or ordinance of a city of the first class upon the same subject. The board may control, by adoption of regulations, by requiring the taking out of licenses or permits, or by other appropriate means, any of the following matters:
- (1) The manufacture into articles of commerce, other than food, of diseased, tainted, or decayed animal or vegetable matter;
 - (2) The business of scavengering and the disposal of sewage;
- (3) The location of mortuaries and cemeteries and the removal and burial of the dead;

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- . (4) The management of lying-in houses and boarding places for infants and the treatment of infants therein:
- (5) The pollution of streams and other waters and the distribution of water by private persons for drinking or domestic use;
- (6) The construction and equipment, in respect to sanitary conditions, of schools, hospitals, almshouses, prisons, and other public institutions, and of lodging houses and other public sleeping places kept for gain;
- (7) The treatment, in hospitals and elsewhere, of persons suffering from communicable diseases, including all manner of venereal disease and infection, the disinfection and quarantine of persons and places in case of such disease, and the reporting of sicknesses and deaths therefrom;

Provided, that neither the board nor any local board of health nor director of public health shall have authority to make or adopt any rule or regulation for the treatment in any penal or correctional institution of any person suffering from any such communicable disease or venereal disease or infection, which rule or regulation requires the involuntary detention therein of any person after the expiration of his period of sentence to such penal or correctional institution, or after the expiration of the period to which the sentence may be reduced by good time allowance or by the lawful order of any judge or magistrate, or of any parole board;

- (8) The prevention of infant blindness and infection of the eyes of the newly born by the designation, from time to time, of one or more prophylactics to be used in such cases and in such manner as the board may direct, unless specifically objected to by the parents or a parent of such infant;
- (9) The furnishing of vaccine matter; the assembling, during epidemics of smallpox, with other persons not vaccinated, but no rule of the board or of any public board or officer shall at any time compel the vaccination of a child, or exclude, except during epidemics of smallpox and when approved by the local board of education, a child from the public schools for the reason that such child has not been vaccinated; any person thus required to be vaccinated may select for that purpose any licensed physician and no rule shall require the vaccination of any child whose physician shall certify that by reason of his physical condition vaccination would be dangerous;
- (10) The accumulation of filthy and unwholesome matter to the injury of the public health and the removal thereof;
- (11) The collection, recording, and reporting of vital statistics by public officers and the furnishing of information to such officers by physicians, undertakers, and others of births, deaths, causes of death, and other pertinent facts;
- (12) The construction, equipment, and maintenance in respect to sanitary conditions of lumber camps, migratory or migrant labor camps, and other industrial camps;

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- (13) The general sanitation of tourist camps, summer hotels, and resorts in respect to water supplies, disposal of sewage, garbage, and other wastes and the prevention and control of communicable diseases; and, to that end, may prescribe the respective duties of county and local health officers; and all county and local boards of health shall make such investigations and reports and obey such directions as the board may require or give and, under the supervision of the board, enforce such regulations;
- (14) Atmospheric pollution which may be injurious or detrimental to public health;
- (15) Sources of radiation, and the handling, storage, transportation, use and disposal of radioactive isotopes and fissionable materials; and
- (16) The establishment, operation and maintenance of all clinical laboratories not owned, or functioning as a component of a licensed hospital. These laboratories shall not include laboratories owned or operated by five or less licensed practitioners of the healing arts, unless otherwise provided by federal law or regulation, and in which these practitioners perform tests or procedures solely in connection with the treatment of their patients. Rules promulgated under the authority of this clause, which shall not take effect until federal legislation relating to the regulation and improvement of clinical laboratories has been enacted, may relate at least to minimum requirements for external and internal quality control, equipment, facility environment, personnel, administration and records. These rules may include the establishment of a fee schedule for clinical laboratory inspections. The provisions of this clause shall expire 30 days after the conclusion of any fiscal year in which the federal government pays for less than 45 percent of the cost of regulating clinical laboratories.
- Sec. 2. EFFECTIVE DATE. This act is effective the day following its final enactment.

Approved June 2, 1977.

CHAPTER 407—H.F.No.993

[Coded in Part]

An act relating to taxation; providing an alternative tax on liquor in metric containers; authorizing commissioner of revenue to order metric conversion; increasing bonding requirements; defining certain responsibilities of commissioners of public safety and revenue; amending Minnesota Statutes 1976, Sections 299A.02, Subdivision 1; 340.44; 340.47, by adding subdivisions; 340.485, Subdivisions 1 and 2; 340.51; 340.54, Subdivision 1; and 340.55.

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

Section 1. Minnesota Statutes 1976, Section 299A.02, Subdivision 1, is amended to read:

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