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CHAPTER 4—S.F.No.92

*An act relating to the city of Ashby; authorizing issuance of general obligation bonds for the purpose of building a fire hall-administrative building and purchasing a fire truck.*

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

Section 1. Notwithstanding the limitation upon net debt of a municipality contained in Minnesota Statutes, Section 475.53, Subdivision 1, or any other law to the contrary, the city of Ashby in Grant County, Minnesota, may proceed with the issuance and sale of not to exceed \$49,000 in general obligation bonds for the purpose of building a fire hall-administrative office building and purchasing a new fire truck, which amount represents the balance of a \$90,000 bond issue for the same purpose which was approved by the voters of the city at a special election held on April 18, 1978 but which bonds were not issued or sold in the full amount authorized due to the aforesaid debt limitation.

Sec. 2. This act is effective upon approval by the Ashby city council and upon compliance with Minnesota Statutes, Section 645.021.

Approved March 16, 1979.

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CHAPTER 5—S.F.No.187

*An act relating to employment agencies; providing an exemption for management consultant firms from employment agency regulation; amending Minnesota Statutes 1978, Section 184.22.*

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

Section 1. Minnesota Statutes 1978, Section 184.22, is amended to read:

184.22 **LICENSES REQUIRED.** Subdivision 1. No person shall engage in the business of or act as an employment agent or counselor unless he first obtains a license from the department. Each separate location for the business of an employment agency or for employment counseling shall have a separate agency license and a licensed manager who shall have immediate control of only one location.

Subd. 2. EXEMPTIONS. The provisions of sections 184.21 to 184.41 shall not apply to any person, firm, corporation, partnership or association engaged in the business of a management consultant or management search consultant (hereafter "search firm") provided that: (1) the search firm is retained by, acts solely on behalf of and is compensated on a noncontingency basis solely by an employer, pursuant to a written retainer agreement specifying the particular search or consultation assignment, to identify, appraise or recommend an individual or individuals for consideration for an executive or

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professional position for a beginning annual base salary (exclusive of bonuses or commissions) of at least \$27,000, which amount shall be adjusted every second year by an amount equal to the percentage change in the Consumer Price Index recorded by the U. S. Department of Labor; and (2) in no instance does any individual who is identified, appraised or recommended for consideration for an executive or professional position become liable in whole or in part to pay a fee of any kind, directly or indirectly, on account of any service performed by the search firm; and (3) in no instance shall the search firm or its agents solicit, persuade or induce any individual to terminate his or her employment with an employer with whom the search firm has placed an individual; and (4) the search firm shall not carry on any other activity that comes within the definition of employment agency as hereinbefore defined. Each search firm shall file annually with the commissioner a sworn statement indicating whether or not it has conducted its business during the past year in a manner consistent with the above provisions, exempting search firms from regulation as employment agencies. The statement shall include, in addition to other information the commissioner may by rule require, a representation as to whether the search firm has placed any advertisements in the "help wanted" columns of newspapers published in Minnesota. If the commissioner at any time has reason to believe that the search firm has not conducted its business in a manner consistent with the above four conditions, the commissioner is authorized to inspect the relevant records of the search firm for the purpose of confirming whether the search firm has maintained its exempt status during the year. If it is determined, either by written admission by the search firm or by a finding of fact in a court of law or by a hearing officer pursuant to chapter 15, that any of the four conditions were not met, the search firm shall thereafter be considered an employment agency and subject to the provisions of sections 184.21 to 184.41. In the event an employment agency offers services which are the same or similar to those offered by a search firm, or in the event a search firm offers services which are the same or similar to those offered by an employment agency, the person or entity offering these combined employment agency and search firm services shall identify itself to the public by displaying the name in which it is registered with the commission as a licensed employment agency.

Approved March 16, 1979.

#### CHAPTER 6—S.F.No.388

*An act relating to towns; changing certain limits on payments for attorney's fees; amending Minnesota Statutes 1978, Section 368.121.*

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

Section 1, Minnesota Statutes 1978, Section 368.121, is amended to read:

368.121 **EMPLOYMENT OF ATTORNEY; FEES.** The board of supervisors in any town may employ an attorney, and pay up to ~~\$1,000~~ \$5,000 in attorney's fees annually without an affirmative vote of or approval by the electors of ~~such~~ the town.

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