

Sec. 2. There is appropriated to the department of health from the general fund \$40,000 for the biennium ending June 30, 1973.

Approved June 7, 1971.

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### CHAPTER 941—S.F.No.1601

[Coded]

*An act relating to securities and usury; providing for an exemption from usury for margin accounts maintained by broker-dealers; amending Minnesota Statutes 1969, Chapter 80, by adding a section.*

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

Section 1. Minnesota Statutes 1969, Chapter 80, is amended by adding a section to read:

**[80.122] SECURITIES; INTEREST RATES ON MARGIN ACCOUNTS.** Subject to the provisions of this chapter, no law in this state prescribing or limiting interest rates upon loans applies to interest charged by a broker or dealer registered under the Securities Exchange Act of 1934, as amended, for carrying a debit balance including a debit balance arising out of a non-purpose loan, in an account for a customer if such debit balance is payable on demand and secured by securities or bonds and if such interest does not exceed the rate of 10 percent per annum or the equivalent rate for a longer or shorter period.

Approved June 7, 1971.

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### CHAPTER 942—S.F.No.1182

[Coded in Part]

*An act relating to Minnesota manpower services law; amending Minnesota Statutes 1969, Sections 268.04, Subdivisions 10 and 12; 268.06, Subdivision 25, and by adding subdivisions; 268.07, Subdivisions 2 and 3; Sections 268.08, Subdivision 1, and by adding a*

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*subdivision; 268.09, Subdivision 1; 268.12, Subdivision 11; and 268.13, Subdivision 1.*

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

Section 1. Minnesota Statutes 1969, Section 268.04, Subdivision 10, is amended to read:

Subd. 10. **MANPOWER SERVICES; REGULATION; EMPLOYER.** "Employer" means: (1) Any employing unit which for some portion of a day but not necessarily simultaneously, in each of 20 different weeks, whether or not such weeks are or were consecutive, within the year 1936 has or had in employment eight or more individuals (irrespective of whether the same individuals are or were employed in each such day) and, for any calendar year subsequent to 1936, an employing unit which, for some portion of a day, in each of 20 different weeks, whether or not such weeks are or were consecutive, and whether or not all of such weeks of employment are or were within the state within either the current or preceding calendar year, has or had in employment one or more individuals (irrespective of whether the same individual or individuals were employed in each such day) within the corporate limits of a city, village, or borough of 10,000 population or more, as determined by the most recent United States census and, for any calendar year subsequent to 1959, an employing unit which, for some portion of a day, in each of 20 different weeks, whether or not such weeks are or were consecutive, and whether or not all of such weeks of employment are or were within the state within either the current or preceding calendar year, has or had in employment four or more individuals (irrespective of whether the same individual or individuals were employed in each such day) outside the corporate limits of a city, village, or borough of 10,000 population or more, ~~as determined by the most recent United States census;~~ For the purposes of this law, the 1960 United States census shall be applied in determining liability until December 31, 1971. For any calendar year subsequent to December 31, 1971, an employing unit which, for some portion of a day, in each of 20 different weeks, whether or not such weeks are or were consecutive, and whether or not all of such weeks of employment are or were within the state within either the current or preceding calendar year, has or had in employment one or more individuals (irrespective of whether the same individual or individuals were employed in each such day) or in any calendar quarter in either the current or preceding calendar year paid \$1,500 or more for services in employment;

~~(2) Any employing unit which acquired the organization, trade, or business or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to sections 268.03 to 268.24 Any employing unit (whether or not an employing unit at the time of acquisition) which acquired the organization,~~

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trade, or business, or substantially all of the assets thereof, of another employing unit which at the time of such acquisition was an employer subject to this law; or which acquired a part of the organization, trade, or business of another employing unit which at the time of such acquisition was an employer subject to this law ;

(3) For purposes of clause (1), employment shall include service which would constitute employment but for the fact that such service is deemed to be performed entirely within another state pursuant to an election under an arrangement entered into (in accordance with section 268.13, subdivision 1) by the commissioner and an agency charged with the administration of any other state or federal unemployment compensation law;

(4) For purposes of clause (1), if any week includes both December 31 and January 1, the days of that week up to January 1 shall be deemed one calendar week and the days beginning January 1 another such week;

~~(3)~~ (5) Any employing unit which acquired the organization, trade, or business, or substantially all the assets thereof, of another employing unit, and which, if treated as a single unit with such other employing unit, would be an employer under clause (1) of this subdivision;

~~(4)~~ (6) Any employing unit which, together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls one or more other employing units (by legally enforceable means or otherwise) and which, if treated as a single unit with such other employing units or interests or both, would be an employer under clause (1) of this subdivision;

~~(5)~~ (7) Any joint venture composed of one or more employers as otherwise defined herein;

~~(6)~~ (8) Any non-resident employing unit which employs within this state one or more employees for one or more weeks;

(9) Any employing unit for which service in employment, as defined in subdivision 12, clause (9), of this section, is performed after December 31, 1971;

~~(7)~~ (10) Any employing unit which, having become an employer under the preceding clauses ~~(1), (2), (3), (4), (5), or (6)~~, has not, under section 268.11, ceased to be an employer subject to these sections;

~~(8)~~ (11) For the effective period of its election pursuant to section 268.11, subdivision 3, any other employing unit which has elected to become ~~fully~~ subject to sections 268.03 to 268.24;

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~~(9)~~ (12) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, any employing unit not an employer by reason of any other clause of this subdivision for which service is performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which, as a condition for the approval of this law for full tax credit against the tax imposed by the federal unemployment tax act, is required pursuant to such act, to be an "employer" under the law ;

~~(10)~~ (13) Except as provided in clause ~~(9)~~ (12), and notwithstanding any other provisions of sections 268.03 to 268.24, no employing unit shall be initially determined a subject employer on the basis of covered employment performed more than four years prior to the year in which such determination is made, unless the commissioner finds that the records of such employment experience were fraudulently concealed or withheld for the purpose of escaping liability under said sections- ;

(14) Any employing unit for which service in employment, as defined in subdivision 12, clause (7), of this section, is performed.

Sec. 2. Minnesota Statutes 1969, Section 268.04, Subdivision 12, is amended to read:

Subd. 12. **EMPLOYMENT.** "Employment" means: (1) Subject to the other provisions of this subdivision "employment" means service performed prior to January 1, 1945, which was employment as defined in this section prior to such date, and any service performed after December 31, 1944, including service in interstate commerce, by an individual who is a servant under the law of master and servant or who performs services for any employing unit, unless such services are performed by such individual in pursuit of his independently established business or is in fact an independent contractor. The services performed by officers of corporations are included as employment under sections 268.03 to 268.24. Any service performed, including service in interstate commerce, by

(a) any officer of a corporation; or

(b) any individual other than an individual who is an employee under clause (a) who performs services for remuneration for any person as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal, or as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a fulltime basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels,

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restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

Provided, that for purposes of clause (1) (b), the term "employment" shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) After December 31, 1971, the term "employment" shall include an individual's service wherever performed within the United States, the Virgin Islands or Canada, if

(a) Such service is not covered under the unemployment compensation law of any other state, the Virgin Islands or Canada, and

(b) The place from which the service is directed or controlled is in this state.

~~(4) (5) (a) Service covered by an election pursuant to section 268.11, subdivision 3; and~~

~~(b) Service covered by an arrangement pursuant to section 268.13 between the commissioner and the agency charged with the administration of any other state or federal employment security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed entirely within this state, shall be deemed to be employment if the commissioner has approved an election of the employing unit for which such service is performed,~~

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pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment.

~~(5)~~ (6) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this law.

~~(6)~~ (7) Service performed after July 1, 1957, by an individual for the state of Minnesota or any instrumentality which is wholly owned by the state of Minnesota or in the employ of this state and one or more other states or their instrumentalities.

~~(7)~~ (8) Service performed after July 1, 1957, by an individual for any political subdivision of the state of Minnesota or instrumentality thereof which elects to be an employer with respect to one or more of its departments under the Minnesota manpower services law and notifies the department of manpower services of such election.

(a) Notwithstanding the provisions of the foregoing clause (8), any political subdivision of this state may elect to cover under this law service performed by employees in all of the institutions of higher learning and hospitals, as defined in section 268.04, subdivision 12, clauses (15) and (16), operated by such political subdivision. Election is to be made by filing with the commissioner a notice of such election at least 30 days prior to the effective date of such election. The election may exclude any services described in section 268.04, subdivision 12, clause (10). Any political subdivision electing coverage under this subdivision shall make payments in lieu of contributions with respect to benefits attributable to such employment as provided in section 268.06, subdivision 25.

(b) The provisions of section 268.08, subdivision 5, shall apply to service covered by an election under this section.

(c) The amounts required to be paid in lieu of contributions by any political subdivision shall be billed and payment made as provided in section 268.06, subdivision 28 (2), with respect to similar payments by nonprofit organizations.

(d) An election under this section may be terminated, by filing with the commissioner written notice not later than 30 days preceding the last day of the calendar year in which the termination is to be effective. Such termination becomes effective as of the first day of the next ensuing calendar year with respect to services performed after that date.

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(9) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization but only if the following conditions are met:

(a) the service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306 (c) (8) of that act; and

(b) the organization had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(10) For the purposes of clauses (7), (8), and (9) of this subdivision, the term "employment" does not apply to service performed

(a) in the employ of a church or convention or association of churches, or an organization which is operated exclusively for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

(c) in the employ of a school which is not an institution of higher education; or

(d) in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market by an individual receiving such rehabilitation or remunerative work; or

(e) as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training; or

(f) for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution.

(11) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or the Virgin Islands), after December 31, 1971, in the employ of an American employer (other

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than service which is deemed "employment" under the provisions of clauses (2), (3), or (4) of this subdivision or the parallel provisions of another state's law) if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state, or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any one other state; or

(c) None of the criteria of (a) and (b) of this clause is met but the employer has elected coverage in this state, or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(d) An "American employer," for the purposes of this subdivision, means a person who is an individual who is a resident of the United States, or a partnership if two thirds or more of the partners are residents of the United States, or a trust, if all of the trustees are residents of the United States, or a corporation organized under the laws of the United States or of any state;

(e) As used in this subdivision, the term "United States" includes the states, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) Notwithstanding clause (1) of this subdivision, all service performed after the effective date of this subdivision by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(8) (13) EXCLUDED SERVICES. The term "employment" shall not include:

(a) Agricultural labor. The term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising, ~~or~~ harvesting ~~or~~ ~~threshing~~ any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, ~~fur-bearing~~ fur-bearing animals and wildlife.

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(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane or fire, if the major part of such service is performed on a farm- ;

(3) In connection with the production or harvesting of ~~maple syrup or maple sugar~~ or any commodity defined as an agricultural commodity in section 15(g) of the agricultural marketing act, as amended (46 Stat. 1550, sec. 3; 12 U.S.C. 1141j), ~~or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry,~~ or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes- ;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The operator produced more than one half of the commodity with respect to which such service is performed, or in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described herein, but only if such operators produced more than one half of the commodity with respect to which such service is performed; however, the provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption- ; or

(5) On a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

As used in ~~this subdivision herein~~, the term "farm" includes stock, dairy, poultry, fruit, ~~fur-bearing animals~~ fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

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(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions of employers with respect to wages as provided in sections 268.03 to 268.24;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 21 in the employ of his father or mother;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by sections 268.03 to 268.24, except that with respect to such service performed subsequent to December 31, 1939, and to the extent that the congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment compensation fund under a state unemployment compensation act; then, to the extent permitted by congress, and from and after the date as of which such permission becomes effective, all of the provisions of these sections shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services; provided, that if this state shall not be certified for any year by the United States department of labor under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in section 268.16, subdivision 6, with respect to contributions erroneously collected;

(g) Service performed in the employ of any political subdivision of this state and or any instrumentality thereof which has not elected to be an employer with respect to one or more of its departments under the Minnesota manpower services law prior to January 1, 1972 ;

(h) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(i) (1) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a)) or section 521 of the federal internal revenue code, if the remuneration for such service is less than \$50~~0~~<sub>0</sub>; or

(2) Service performed in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university; or

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(3) Service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a fulltime program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this paragraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(j) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

(k) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The commissioner finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof.

(l) Service covered by an arrangement between the commissioner and the agency charged with the administration of any other state or federal employment security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

~~(m) Services performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation~~ Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in clause (16) of this subdivision ;

(n) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school

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by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(o) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission (the word "insurance" as used in this subdivision shall include an annuity and an optional annuity);

(p) Service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

~~(q) Service performed in the employ of any farmers' cooperative association dealing primarily with agricultural or dairy products or farmers' mutual insurance company, not subject to the tax imposed by section 3301 of the federal internal revenue code;~~

~~(r) Service performed subsequent to December 31, 1939, without wages by an officer of a corporation which is not subject to the tax imposed by section 3301 of the federal internal revenue code;~~

~~(s) Service performed subsequent to December 31, 1952 both outside and within the corporate limits of a city, village, or borough of 10,000 population or more, in the transportation and delivery of livestock, whenever the transportation and delivery of such livestock comprises more than 50 percent by weight of the total freight hauled during the calendar year by the person, firm, or corporation engaged in such services;~~

~~(t) (q) If the service performed subsequent to December 31, 1940, during one half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subdivision, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment or remuneration is ordinarily made to the individual by the person employing him. This subdivision shall not be applicable with respect to service performed in a pay period by an individual for the person employing him, where any of such service is excluded by section 268.04, subdivision 12, clause (8) (h) and (s).~~

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~~(9) (14) The~~ Except when performed for an institution of higher education, as defined in clause (15) of this subdivision, or a hospital, as defined in clause (16) of this subdivision, the term "employment" as applied to services performed by an individual for the state of Minnesota or any instrumentality wholly owned by the state, except political subdivisions or instrumentalities thereof which duly elect otherwise with the commissioner's approval, , shall not include the following:

(a) Service performed by elected public officials and unclassified employees appointed for a definite term, except after December 31, 1971, this exclusion shall not apply to service performed by unclassified employees in an instructional, research, or principal administrative capacity in an institution of higher education or a hospital ;

(b) Service performed prior to January 1, 1972, by a faculty member in the employ of a university, college, school or any other institution which is supported wholly or substantially by public funds;

~~(c) Service performed by a student in the employ of an educational institution supported wholly or substantially by public funds at which the student is enrolled, or was enrolled during the most recent regular school term;~~

~~(d) Service performed by an individual who is financially supported in whole or in part by a state or federal scholarship program;~~

~~(e) Service performed in the employ of a department, institution, or wholly owned instrumentality of the state which is supported wholly or substantially by public funds under a training program required by either a public or private educational institution;~~

~~(f) (c) Service performed by members of the Minnesota national guard when ordered to duty for military assignments;~~

~~(g) (d) Service performed in the employ of the state natural resources department directly and solely in connection with emergency fire fighting, including but not limited to those persons temporarily employed for the purpose of detecting, locating, or suppressing forest fires.~~

(15) "Institution of higher education," for the purposes of this subdivision, means an educational institution which:

(a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(b) Is legally authorized in this state to provide a program of education beyond high school;

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(c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

(e) Notwithstanding any of the foregoing provisions of this clause, all colleges and universities in this state are institutions of higher education for purposes of this section.

(16) "Hospital" means an institution which has been licensed, certified or approved by the department of health as a hospital.

Sec. 3. Minnesota Statutes 1969, Section 268.06, is amended by adding a subdivision to read:

Subd. 3a. RATE FOR NEW EMPLOYERS. Notwithstanding the provisions of subdivision 2 of this section, each employer, subsequent to December 31, 1971, who becomes subject to this law, shall pay contributions at a rate, not exceeding two and seven tenths percent, that is the higher of (a) one percent and (b) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year. For purposes of this subdivision, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 4. Minnesota Statutes 1969, Section 268.06, Subdivision 25, is amended to read:

**Subd. 25. PAYMENTS TO FUND BY STATE AND POLITICAL SUBDIVISIONS IN LIEU OF CONTRIBUTIONS.** In lieu of contributions required of employers under this law, the state of Minnesota or its political subdivisions ~~which have elected to be governed by the Minnesota manpower services~~ this law shall pay into the unemployment compensation fund an amount equivalent to the amount of benefits paid and one half of the extended benefits paid to individuals based on wages paid by the state of Minnesota or such political subdivisions. If benefits paid an individual are based on wages paid by both the state of Minnesota or such political subdivisions and one or more other employers, the amount payable by the state of Minnesota or such political subdivisions to the fund shall bear the same ratio to total benefits paid to the individual as the base-period wages paid to the individual by the state of Minnesota or

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such political subdivisions bear to the total amount of base-period wages paid to the individual by all his base-period employers. The amount of payment required under this subdivision shall be ascertained by the commissioner semi-annually. If the amount of benefits paid in any fiscal year from the fund to former employees paid from any one account from which salaries are paid as ascertained by the commissioner exceeds three percent of the total wages paid to all employees from that salary account during the preceding completed fiscal year, the excess amount shall be paid to the fund by including such sum in the biennial budget as submitted by the commissioner of the department of administration and shall be paid from such moneys in the state treasury that have not otherwise been appropriated.

Sec. 5. Minnesota Statutes 1969, Section 268.06, is amended by adding a subdivision to read:

**Subd. 28. PAYMENT TO FUND BY NONPROFIT CORPORATION AND ALLOCATION OF BENEFIT COSTS BY BASE PERIOD REIMBURSERS.**

(1) Benefits paid to employees of nonprofit organizations shall be financed in accordance with the provisions of this subdivision. For the purpose of this subdivision, a nonprofit organization is an organization (or group of organizations) described in section 501(c)(3) of the United States internal revenue code which is exempt from income tax under section 501(a) of such code. Any nonprofit organization which, pursuant to section 268.04, subdivision 10, clause (9) is, or becomes, subject to this law on or after January 1, 1972, shall pay contributions under the provisions of clause (a) of this subdivision, unless it elects, in accordance with this paragraph, to pay to the commissioner for the unemployment fund an amount equal to the amount of regular benefits and of one half of the extended benefits paid, that is attributable to service in the employ of such nonprofit organization, to individuals for weeks of unemployment which begin during the effective period of such election.

(a) Any nonprofit organization which is, or becomes, subject to this law on January 1, 1972, may elect to become liable for payments in lieu of contributions for a period of not less than two calendar years beginning with January 1, 1972; provided it files with the commissioner a written notice of its election within the 30 day period immediately following such date.

(b) Any nonprofit organization which becomes subject to this law after January 1, 1972, may elect to become liable for payments in lieu of contributions for a period of not less than two calendar years beginning with the date on which such subjectivity begins by filing a written notice of its election with the commissioner not later than 30 days immediately following the date of the determination of such subjectivity.

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(c) Any nonprofit organization which makes an election in accordance with clause (a) or clause (b) of this subdivision will continue to be liable for payments in lieu of contributions until it files with the commissioner a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which such termination shall first be effective.

(d) Any nonprofit organization which has been paying contributions under this law for a period subsequent to January 1, 1972, may change to a reimbursable basis by filing with the commissioner not later than 30 days prior to the beginning of any calendar year a written notice of election to become liable for payments in lieu of contributions. Such election shall not be terminable by the organization for that and the next year.

(e) The commissioner may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive but not any earlier than with respect to benefits paid after December 31, 1971.

(f) The commissioner, in accordance with such regulations as he may prescribe, shall notify each nonprofit organization of any determination which he may make of its status as an employer and of the effective date of any election which it makes and of any termination of such election. Such determinations shall be final unless reviewed in accordance with the provisions of section 268.12, subdivision 13.

(2) Payments in lieu of contributions shall be made at the end of each calendar quarter, or at the end of any other period as determined by the commissioner. The commissioner shall bill each nonprofit organization (or group of such organizations) which has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one half of the amount of extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such organization.

(3) Past due payments of amounts in lieu of contributions shall be subject to the same interest charges and collection procedures that apply to past due contributions under section 268.16.

(4) If any nonprofit organization is delinquent in making payments in lieu of contributions as required under this subdivision, the commissioner may terminate such organization's election to make payments in lieu of contributions as of the beginning of the next taxable year, and such termination shall be effective for that and the following taxable year.

Sec. 6. Minnesota Statutes 1969, Section 268.06, is amended by adding a subdivision to read:

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Subd. 29. GROUP ACCOUNTS. Two or more employers that have become liable for payments in lieu of contributions may file a joint application to the commissioner for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of such employers. Each such application shall identify and authorize a group representative to act as the group's agent for the purposes of this subdivision. Upon his approval of the application, the commissioner shall establish a group account for such employers effective as of the beginning of the calendar year in which the application is received by the commissioner and shall notify the group's representative of the effective date of the account. Such account shall remain in effect for not less than two years and thereafter until terminated at the discretion of the commissioner or upon application by the group at least 30 days prior to the end of such two year period or 30 days prior to January 1 of any calendar year subsequent to such two calendar years. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions in the amount that bears the same ratio to the total benefits paid that are attributable to service performed in the employ of all members of the group as the total wage credits for service in employment by such member bear to the total during the base period for service performed in the employ of all members of the group. The commissioner shall prescribe such regulations as he deems necessary with respect to applications for establishment, maintenance and termination of group accounts that are authorized by this subdivision, for addition of new members to, and withdrawal of active members from, such account, and for the determination of the amounts that are payable under this subdivision by members of the group and the time and manner of such payments.

Sec. 7. Minnesota Statutes 1969, Section 268.07, Subdivision 2, is amended to read:

**Subd. 2. WEEKLY BENEFIT AMOUNT AND DURATION.** If the commissioner finds that an individual has earned 18, or more, credit weeks, and \$520 or more in wage credits, within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual as follows:

(1) Weekly benefit amount shall be equal to 50 percent of the average weekly wage of such individual, computed to the nearest even dollar, subject to a maximum of \$57 per week.

(2) Benefits shall be paid weekly for a period not to exceed 70 percent of the number of credit weeks earned by such individual computed to the nearest even week, subject to a maximum of 26 weeks.

(3) An individual who has exhausted his entitlement to benefits as determined by sections 268.02 through 268.25 and cannot establish

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entitlement to unemployment compensation benefits under the law of any other state or the federal government may have his entitlement during his current benefit year extended by three weeks if during the 52 calendar week period immediately preceding his base period he earned 37 credit weeks in employment insured under this law and by three weeks for each such successive previous 52 calendar week period subject to a maximum of nine weeks. Such extended benefits shall be payable only if the commissioner finds that the individual is either enrolled in a course of training or retraining approved by the commissioner and for which training allowances are not payable under any other state or federal law or the individual has completed such a course of training or retraining. Benefits paid under such extension are not chargeable to any employer's experience rating account. The commissioner shall establish suitable procedures for verifying prior employment and for the determination of appropriate training. The provisions of this clause shall cease to be effective for any individual exhausting his benefits after June 26, 1971.

(4) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, payable to him with respect to such week which is in excess of \$12. Such benefit, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.

(5) The provisions of this subdivision shall apply to claims for benefits which establish a benefit year subsequent to June 28, 1969.

Sec. 8. Minnesota Statutes 1969, Section 268.07, Subdivision 3, is amended to read:

Subd. 3. **WHEN WAGE CREDITS ARE NOT AVAILABLE.**

~~(1) The wage credits and credit weeks of an individual earned in employment with base period employers during the period commencing with the end of the base period and ending on the date on which he filed a valid claim shall not be available for benefit purposes in a subsequent benefit year unless, in addition thereto, such individual has earned, in any part of the third and fourth quarters of the base period upon which the benefits for such subsequent benefit year are based, an amount equivalent to at least four times his current weekly benefit amount, and in the same period has established five credit weeks. A claim filed sufficiently in advance of anticipated unemployment to make the limitations of this clause ineffective shall be invalid. It is the purpose of this clause to prevent any individual from receiving benefits in more than one benefit year as a result of one separation from work. No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which he received benefits, he performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for such service in an amount equal~~

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to not less than the minimum wage credits required to qualify for benefits.

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits paid based upon earnings of such claimant during ~~the next four calendar quarters following such a subsequent~~ base period unless he has employed such claimant in any part of ~~the third and fourth quarters of such subsequent~~ base period.

Sec. 9. Minnesota Statutes 1969, Section 268.08, Subdivision 1, is amended to read:

**268.08 PERSONS ELIGIBLE TO RECEIVE BENEFITS.** Subdivision 1. **ELIGIBILITY CONDITIONS.** An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that:

(1) He has registered for work at and thereafter has continued to report to an employment office, or agent of such office, in accordance with such regulations as the commissioner may prescribe; except that the commissioner may by regulation waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which he finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) He has made a claim for benefits in accordance with such regulations as the commissioner may prescribe;

(3) He was able to work and was available for work, and was actively seeking work, provided that individual's weekly benefit amount shall be reduced one-fifth for each day such individual is unable to work or unavailable for work; provided further that benefits after December 31, 1971, shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner;

(4) He has been unemployed for a waiting period of one week during which he is otherwise eligible for benefits under sections 268.03 to 268.24. No individual shall be required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which such valid claim was filed.

Sec. 10. Minnesota Statutes 1969, Section 268.08, is amended by adding a subdivision to read:

**Subd. 5. SERVICES PERFORMED FOR STATE, MUNICIPALITIES OR CHARITABLE CORPORATIONS.** Benefits based on service in employment defined in section 268.04, subdivision 12,

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clauses (7), (8), and (9), shall be payable in the same amount, on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this law; except that benefits based on service in an instructional, research, or principal administrative capacity in an institution of higher education (as defined in section 268.04, subdivision 12 (15)) shall not be paid to an individual for any week of unemployment which begins during the period between two successive academic years, or during a similar period between two regular terms, whether or not successive, or during a period of paid sabbatical leave provided for in the individual's contract, if the individual has a contract or contracts to perform services in any such capacity for any institution or institutions of higher education for both such academic years or both such terms.

Sec. 11. Minnesota Statutes 1969, Section 268.09, Subdivision 1, is amended to read:

**268.09 DISQUALIFIED FROM BENEFITS.** Subdivision 1. **DISQUALIFYING CONDITIONS.** An individual shall be disqualified for benefits:

(1) **VOLUNTARY LEAVING OR DISCHARGE FOR MISCONDUCT.** If such individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer or was discharged for misconduct, not amounting to gross misconduct, connected with his work or for misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for not less than five nor more than eight weeks of unemployment in addition to and following the waiting period, or was discharged for gross misconduct connected with his work or gross misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for 12 weeks of unemployment in addition to and following the waiting period, which disqualification shall not be removed by subsequent employment, and provided further that the commissioner is empowered to impose a total disqualification for the benefit year and to cancel part or all of the wage credits from the last employer from whom he was ~~so separated~~ discharged for gross misconduct connected with his work, and the maximum benefit amount payable to such individual shall be reduced as follows:

(a) by an amount equal to the weekly benefit amount times the number of weeks for which such individual was disqualified, when the separation occurs as a result of discharge for misconduct;

(b) by an amount equal to two times the weekly benefit amount, when the separation occurs because of a voluntary separation as described in this clause;

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(c) by an amount equal to 12 times his weekly benefit amount, when the separation occurs as a result of a discharge for gross misconduct.

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery, or an immoral act, or the malicious destruction of property or the theft of money or property of a value of \$50, or more.

This provision shall not apply to any individual who left his employment to accept work offering substantially better conditions of work or substantially higher wages or both, or whose separation from such employment was due to serious illness of such individual.

(2) **SEPARATION TO ASSUME FAMILY OBLIGATIONS.** If such individual is separated from ~~her~~ his employment because of pregnancy or voluntarily discontinues ~~her~~ his employment for the purpose of visiting or living with ~~her husband~~ his spouse, or assuming ~~the household duties of a housewife~~; provided that such disqualification shall be removed by subsequent employment in insured work for a period of not less than six weeks.

(3) **LIMITED OR NO CHARGE OF BENEFITS.** ~~Benefits paid to any individual whose separation occurs under any of the conditions of the foregoing clauses of this subdivision subsequent to an individual's separation under any of the foregoing clauses or because of his failure, without good cause, to accept an offer of suitable re-employment, shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual—so separated or whose offer of re-employment he refused; provided that this clause shall not apply to an individual involuntarily separated from employment because of pregnancy.~~

(4) **FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK.** If the commissioner finds that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office, or the commissioner or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commissioner, or to actively seek employment. Such disqualification shall continue for the week in which such refusal or failure occurred and for a period of seven weeks of unemployment immediately following such refusal or failure.

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

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(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization-;

(4) if after December 31, 1971, such individual is in training with the approval of the commissioner.

(5) **LABOR DISPUTE.** If such individual has left or partially or totally lost his employment with an employer because of a strike or other labor dispute. Such disqualification shall prevail for each week during which such strike or other labor dispute is in progress at the establishment in which he is or was employed, except that this disqualification shall not act to deny any individual the right to benefits based on employment subsequent to his separation because of a strike or other labor dispute if such individual has in writing notified the employer involved in such strike or other labor dispute of his resignation and acceptance of his resignation and acceptance of other bona fide employment and provided further that such resignation is accepted by all parties to the strike or other labor dispute so that such individual is no longer considered an employee of such employer. For the purpose of this section the term "labor dispute" shall have the same definition as provided in the Minnesota labor relations act. Nothing in this subdivision shall be deemed to deny benefits to any employee who becomes unemployed because of a lockout or by dismissal during the period of negotiation in any labor dispute and prior to the commencement of a strike.

~~(6) **REFUSAL OF SUITABLE RE-EMPLOYMENT.** If such individual has, during his benefit year, refused suitable reemployment offered by a base period employer. The wage credits of such individual earned from such base period employer shall be canceled; provided that this clause shall not apply if:~~

~~(a) prior to the date designated by such employer for the reemployment of such individual, such individual has been offered and accepted work with another employing unit, and on the date such individual was to have been reemployed by such base period employer, he was actually engaged in bona fide work with another employing unit, or~~

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~~—(b) on the date designated for the reemployment of such individual by such base period employer, he was unable to accept such reemployment because of his own serious illness, except that such serious illness shall not include pregnancy or any illness resulting therefrom, or~~

~~—(c) on the date designated for the reemployment of such individual by such base period employer, he was unable to accept such reemployment because either he has moved his residence or the base period employer has removed the place of employment so as to render unreasonable the distance which such individual would be required to travel in order to accept the offer of reemployment.~~

~~For the purpose of this clause, reemployment offering substantially the same or better hourly wages and conditions of work previously provided to such individual by such base period employer during the base period shall be deemed to be "suitable reemployment."~~

If such individual has failed without good cause to accept suitable re-employment offered by a base period employer. Such disqualification shall prevail for the week in which the failure occurred and for a period of seven weeks of unemployment following such failure, provided such disqualification shall not apply if such individual is in training with the approval of the commissioner.

Sec. 12. Minnesota Statutes 1969, Section 268.12, Subdivision 11, is amended to read:

Subd. 11. **COOPERATION WITH THE SECRETARY OF LABOR.** (1) In the administration of sections 268.03 to 268.24, the commissioner shall cooperate to the fullest extent consistent with the provisions thereof, with the social security administration, created by the act of Congress, entitled "the Social Security Act," as amended; shall make such reports in such form and containing such information as the social security administration may from time to time require, and shall comply with such provisions as the social security administration may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with regulations prescribed by the social security administration governing the expenditures of sums as may be allotted and paid to this state under Title III of the Social Security Act for the purpose of assisting in the administration of these sections. In the administration of this law, the commissioner shall cooperate with the United States department of labor to the fullest extent consistent with the provisions of this law, and shall take such action, through the adoption of appropriate rules, regulations, administrative methods and standards, as may be necessary to secure to this state and its citizens all advantages available under the provisions of the Social Security Act that relate to unemployment compensation, the Federal Unemployment Tax Act,

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the Wagner-Peyser Act, and the Federal-State Extended Unemployment Compensation Act of 1970.

In the administration of the provisions in section 268.071 of this law, which are enacted to conform with the requirements of the Federal-State Extended Unemployment Compensation Act of 1970, the commissioner shall take such action as may be necessary to ensure that the provisions are so interpreted and applied as to meet the requirements of such federal act as interpreted by the U. S. department of labor, and to secure to this state the full reimbursement of the federal share of extended and regular benefits paid under this law that are reimburseable under the federal act.

(2) If section 303(a) (5) of Title III of the Social Security Act and section 3304(a) (4) of the Internal Revenue Code are amended to permit a state agency to use, in financing administrative expenditures incurred in carrying out its manpower services functions, some part of the moneys collected or to be collected under the state unemployment compensation law, in partial or complete substitution for grants under said Title III, in that event sections 268.03 to 268.24 shall, by the commissioner's proclamation and rules to be issued with the governor's approval, be modified in the manner and to the extent and within the limits necessary to permit such use by the commissioner under these sections; and such modifications shall become effective on the same date as such use becomes permissible under such federal amendments.

(3) The commissioner is also authorized and directed to apply for an advance to the state unemployment fund and to do any and all acts necessary and lawfully required for the repayment of such advance in accordance with the conditions specified in Title XII of the Social Security Act, as amended, in order to secure to this state and its citizens the advantages available under the provisions of such title.

Sec. 13. Minnesota Statutes 1969, Section 268.13, Subdivision 1, is amended to read:

**268.13 RECIPROCAL BENEFIT ARRANGEMENTS.** Subdivision 1. **AUTHORIZATION.** The commissioner is hereby authorized to enter into reciprocal arrangements with the appropriate and duly authorized agencies of other states and of the federal government, or both, whereby:

(1) Service performed by an individual or individuals for a single employing unit for which service is customarily performed in more than one state shall be deemed to be service performed entirely within any one of the states:

(a) in which any part of any such individual's service is performed, or

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(b) in which any such individual has his residence, or

(c) in which the employing unit maintains a place of business; provided, there is in effect, as to such service, an election, approved by the agency charged with the administration of such state's employment security law, pursuant to which all the service performed by such individual or individuals for such employing unit is deemed to be performed entirely within such state;

~~(2) COMBINING WAGE CREDITS. Potential rights to benefits accumulated under the employment security laws of one or more states or under one or more such laws of the federal government, or both, may constitute the basis for the payment of benefits through a single appropriate agency under terms which the commissioner finds will be fair and reasonable as to all affected interests and will not result in any substantial loss to the fund. The commissioner shall participate in any arrangements for the payment of compensation on the basis of combining an individual's wages and employment covered under this law with his wages and employment covered under the unemployment compensation laws of other states which are approved by the United States secretary of labor in consultation with the state unemployment compensation agencies as reasonably calculated to assure the prompt and full payment of compensation in such situations and which include provisions for applying the base period of a single state law to a claim involving the combining of an individual's wages and employment covered under two or more state unemployment compensation laws, and avoiding the duplicate use of wages and employment by reason of such combining ;~~

(3) Wages or services, upon the basis of which an individual may become entitled to benefits under an employment security law of another state or of the federal government, shall be deemed to be wages for insured work for the purpose of determining his rights to benefits under sections 268.03 to 268.24, and wages for insured work, on the basis of which an individual may become entitled to benefits thereunder shall be deemed to be wages or services on the basis of which unemployment compensation under such law of another state or of the federal government is payable, but no such arrangement shall be entered into unless it contains provisions for reimbursements to the fund for such of the benefits paid thereunder upon the basis of such wages or service, and provisions for reimbursements from the fund for such of the compensation paid under such other law upon the basis of wages for insured work, ~~as the commissioner finds will be fair and reasonable as to all affected interests ;~~

(4) Contributions due thereunder with respect to wages for insured work shall for the purpose of section 268.16 be deemed to have been paid to the fund as of the date payment was made as contributions therefor under another state or federal employment security law, but no such arrangement shall be entered into unless it

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contains provisions for such reimbursement to the fund of such contributions and the actual earnings thereon ~~as the commissioner finds will be fair and reasonable as to all affected interests.~~

Approved June 7, 1971.

## CHAPTER 943—S.F.No.988

[Coded].

*An act relating to public welfare; providing emergency assistance and services; amending Minnesota Statutes 1969, Chapter 256, by adding a section.*

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

Section 1. Minnesota Statutes 1969, Chapter 256, is amended by adding a section to read:

**[256.871] PUBLIC WELFARE; EMERGENCY ASSISTANCE TO NEEDY FAMILIES WITH CHILDREN UNDER AGE 21.**  
**Subdivision 1. COUNTY WELFARE AGENCY; DUTIES.** The county welfare agency shall grant emergency financial assistance and services to any needy family with a child under the age of 21 years who is or was within six months prior to application living with an eligible relative specified in section 256.12, subdivision 14.

**Subd. 2. ELIGIBILITY FOR EMERGENCY ASSISTANCE.** Notwithstanding any other eligibility provision of this chapter, any child without resources immediately available to meet emergency needs shall be furnished assistance for a period not in excess of 30 days during any 12-month period. Assistance shall be furnished under the following conditions:

(a) The child is without resources immediately available to meet emergency needs.

(b) Assistance is necessary to avoid destitution or provide emergency shelter arrangements.

(c) The child's destitution or need for living arrangements did not arise because he or the relative refused without good cause to accept employment or training for employment.

(d) Assistance shall be in the form of money payments, vendor payments, payments in kind or interest free loans for tools, equipment or expenses required for return to employment. Such loans

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