

construed, however, as preventing any such department, bureau or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau or division was created.

Approved April 28, 1941.

CHAPTER 549—H. F. No. 1427

An act defining and regulating hospitals, sanatoriums, rest homes, nursing homes, boarding homes and related institutions; to provide for the granting, suspending and revoking of licenses therefor; to provide for penalties for a violation thereof.

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

Section 1. Hospitals, etc., must obtain licenses.—No person, partnership, association, or corporation shall establish, conduct, or maintain in the state of Minnesota any hospital, sanatorium, rest home, nursing home, boarding home or other institution for the hospitalization and/or care of human beings without first obtaining a license therefor in the manner hereinafter provided.

Hospital, sanatorium, rest home, nursing home, boarding home, and other related institutions, within the meaning of this act, shall mean any institution, place, building or agency in which any accommodation is maintained, furnished or offered for any fee, gift, compensation or reward, or in expectation thereof, for the hospitalization of the sick or injured or care of any aged or infirm persons requiring or receiving chronic or convalescent care. Provided, however, nothing in this act shall apply to hotels or other similar places that furnish only board and room, or either, to their guests.

Nothing in this act shall authorize any person, partnership, association or corporation to engage, in any manner, in the practice of healing, or the practice of medicine, as defined by law.

Sec. 2. Existing hospitals, etc., to obtain licenses.—No person, partnership, association or corporation may continue to operate an existing hospital, sanatorium, rest home, nursing home, or boarding home, nor open a hospital, sanatorium,

rest home, nursing home, or boarding home after January 1, 1942, unless such operation shall have been approved and regularly licensed by the state of Minnesota as hereinafter provided.

Before a license shall be issued under this act, the person applying shall submit evidence satisfactory to the state department of health that he is not less than 21 years of age and of reputable and responsible character; in the event the applicant is an association or corporation like evidence shall be submitted as to the members thereof and the persons in charge. All applicants shall, in addition, submit satisfactory evidence of their ability to comply with the minimum standards of this act and all regulations adopted thereunder.

Sec. 3. Applications.—Any person, partnership, association or corporation desiring a license hereunder shall file with the state department of health a verified application containing the name of the applicant desiring said license; whether such persons so applying are 21 years of age; the type of institution to be operated; the location thereof; the name of the person in charge thereof. Application on behalf of a corporation or association shall be made by any two officers thereof or by its managing agents.

Sec. 4. Fees.—Each application for a license to operate a hospital, sanatorium, rest home, nursing home, or boarding home or related institution within the meaning of this act shall be accompanied by a fee to be determined by the number of beds available for patients thereof; those with less than 50 such beds shall pay a fee of \$10.00; those with 50 beds or more and less than 100 beds shall pay a fee of \$15.00; those with 100 beds or more and less than 200 beds shall pay a fee of \$20.00; those with 200 beds or more shall pay a fee of \$25.00. No such fee shall be refunded. All licenses issued hereunder shall be renewed annually upon payment of a like fee. All fees received by the state department of health under the provisions of this act shall be paid into the state treasury to the credit of the state department of health for the purpose of carrying out the general provisions of this act.

No license granted hereunder shall be assignable or transferable.

Sec. 5. Inspections.—Every building, institution or establishment for which a license has been issued shall be periodically inspected by a duly appointed representative of the state department of health under the rules and regulations to be established by said state department of health. No institu-

tion of any kind licensed pursuant to the provisions of this act shall be required to be licensed or inspected under the laws of this state relating to hotels, restaurants, lodging houses, boarding houses and places of refreshment.

Sec. 6. State Department of Health to issue licenses—The state department of health is hereby authorized to issue licenses to operate hospitals, sanatoriums, rest homes, nursing homes, or other related institutions as herein defined, which, after inspection are found to comply with the provisions of this act and any reasonable regulations adopted by said state department of health. All decisions of the state department of health hereunder may be reviewed in the district court in the county in which such institution is located or contemplated.

The state department of health is hereby authorized to suspend or revoke a license issued hereunder, on any of the following grounds:

1. Violation of any of the provisions of this act or the rules and regulations issued pursuant thereto.
2. Permitting, aiding, or abetting the commission of any illegal act in such institution.
3. Conduct of practices detrimental to the welfare of the patient.

Provided that before any such license issued hereunder is suspended or revoked, 30 days written notice shall be given the holder thereof of the date set for hearing of the complaint. The holder of such license shall be furnished with a copy of said complaint and be entitled to be represented by legal counsel at such hearing. Such notice may be given by the state department of health by registered mail.

If a license is revoked as herein provided, a new application for license may be considered by the state department of health if, when, and after the conditions upon which revocation was based has been corrected and evidence of this fact has been satisfactorily furnished. A new license may then be granted after proper inspection has been made and all provisions of this act and rules and regulations hereunder as heretofore or hereinafter provided has been complied with and recommendation has been made therefor by the hospital inspector as an agent of the state department of health.

Sec. 7. State Department of Health to establish standards.—The state department of health shall have the power to establish reasonable standards under this act which it finds

to be necessary and in the public interests and may rescind or modify such regulations from time to time as may be in the public interest, insofar as such action is not in conflict with any of the provisions of this act.

An advisory board of five members shall be appointed in the following manner to make recommendations to the state department of health and to assist in the establishment of such standards and any amendments thereto. This board shall consist of three members to be appointed annually from the membership of the Minnesota hospital association by the board of trustees thereof and two members shall be doctors of medicine to be appointed annually from the Minnesota state medical association by the council of the Minnesota state medical association. Provided, however, that no regulation nor requirement shall be made, nor standard established, under this act for any sanatorium, nursing home, nor rest home conducted in accordance with the practice and principles of the body known as the Church of Christ, Scientist, except as to the sanitary and safe condition of the premises, cleanliness of operation, and its physical equipment.

Sec. 8. What shall come within act.—All hospitals, sanatoriums, rest homes, nursing homes, and related institutions within the meaning of this act, including such hospitals as are strictly maternity hospitals only, shall come within this act and this act shall be in extension of the maternity hospital licensing law and shall not in any way be construed to restrict or modify such act, except that such maternity hospital licenses shall hereafter be issued by the state department of health. All personnel now a part of the division of social welfare who are charged with the enforcement of the maternity hospital licensing law shall be transferred to the state department of health. Such transferred employees shall retain their present civil service status.

Sec. 9. Information not to be disclosed.—Information received by the state department of health through inspections and authorized under this act shall be confidential and shall not be disclosed except in a proceeding involving the question of licensure.

Sec. 10. Violation a misdemeanor.—Any person, partnership, association, or corporation establishing, conducting, managing, or operating any hospital, sanatorium, rest home, nursing home, or institution within the meaning of this act, without first obtaining a license therefor as herein provided, or who shall violate any of the provisions of this act or regulations thereunder, shall be guilty of a misdemeanor, and upon

conviction thereof shall be punished by a fine of not to exceed \$100.00 or a sentence of not to exceed 90 days in the county jail.

Sec. 11. **Effective January 1, 1942.**—This act shall take effect and be in force from and after the first day of January, 1942.

Approved April 28, 1941.

CHAPTER 550—H. F. No. 1483

An act relating to taxes on and measured by income; amending Mason's Supplement 1940, Sections 2394-3, 2394-5, 2394-6, 2394-11, 2394-12, 2394-13, 2394-14, 2394-19, 2394-20, 2394-21, 2394-28a, 2394-33, 2394-42, 2394-44, 2394-46, 2394-47, 2394-25, 2394-28b, 2394-27, and Laws 1933, Chapter 405, Section 49, as amended by Extra Session Laws 1937, Chapter 49, Sections 25 and 26, and by Laws 1939, Chapter 446, Section 16, being Mason's Supplement 1940, Section 2394-49, and repealing Mason's Supplement 1940, Section 2394-32, Subsection (a).

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

Section 1. **Law amended.**—Mason's Supplement 1940, Section 2394-3, is hereby amended to read as follows:

"2394-3. **Classes of tax payers.**—An annual tax for each taxable year, computed in the manner and at the rates hereinafter provided, is hereby imposed upon the taxable net income for such year of the following classes of taxpayers:

(a) Domestic and foreign corporations *not taxable under Section 2 who own property within this state or whose business within this state during the taxable year consists exclusively of foreign commerce, interstate commerce, or both.*

(b) Resident and nonresident individuals, except that no non-resident individual shall be taxed on his income from compensation for labor or personal services within this state during any taxable year unless he shall have been engaged in work within this state for more than 150 working days during such taxable year.

(c) Estates of decedents, dying domiciled within or without this state and,