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 CHAPTER 299—H.F.No.1386

[Coded in Part]

*An act relating to agriculture; clarifying certain terms; eliminating six months license provision; permitting license suspension; permitting waiver of the right to a hearing; clarifying weighing locations and weighing fees; amending Minnesota Statutes 1976, Sections 17A.03, Subdivisions 6 and 7; 17A.04, Subdivision 1, and by adding a subdivision; 17A.05, Subdivision 2; 17A.06, Subdivisions 2 and 3; 17A.10; and 17A.11.*

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

Section 1. Minnesota Statutes 1976, Section 17A.03, Subdivision 6, is amended to read:

Subd. 6. **AGRICULTURE; LIVESTOCK MARKET AGENCY.** "Livestock market agency" means any person who sells consigned livestock for the account of others, but does not include an occasional or special event or disposal sale.

Sec. 2. Minnesota Statutes 1976, Section 17A.03, Subdivision 7, is amended to read:

Subd. 7. **LIVESTOCK DEALER.** "Livestock dealer" means any person, including a packing company, who buys or sells livestock for his own account for purposes of resale or slaughter, or for the account of others, except persons buying or selling livestock related to a normal farming operation, and persons licensed under section 28A.04 who are primarily engaged in the sale of meats at retail and persons operating as frozen food processing plants as defined in section 31.185.

Sec. 3. Minnesota Statutes 1976, Section 17A.04, Subdivision 1, is amended to read:

17A.04 **LICENSES.** Subdivision 1. **LICENSING PROVISIONS.** Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter; ~~provided, that livestock market agency licenses shall be required and issued for a six-month period from July 1, 1974, through December 31, 1974, on a prorated fee basis.~~ The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1, 1974, each year and ending June 30 ~~following and annually thereafter.~~ The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

Sec. 4. Minnesota Statutes 1976, Section 17A.04, is amended by adding a subdivision to read:

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Subd. 8. SUSPENSION OF LICENSE. Whenever the commissioner finds that the licensee has violated the provisions of sections 17A.04, 17A.05, 17A.07, or 17A.08 and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.

Sec. 5. Minnesota Statutes 1976, Section 17A.05, Subdivision 2, is amended to read:

**Subd. 2. LIVESTOCK DEALERS.** The amount of each livestock dealer bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

If the bond is executed on a form furnished by the commissioner, the bond shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.

Sec. 6. Minnesota Statutes 1976, Section 17A.06, Subdivision 2, is amended to read:

**Subd. 2. HEARING ON CLAIMS.** In case of default by the licensee, the commissioner shall have the power to require the licensee to appear before him at a hearing held for the purpose of determining all liability of the licensee under the terms of his bond, and after said hearing, based on the evidence adduced thereat, the commissioner shall make an order determining and fixing the liability of the principal and of the surety company because of the default of the licensee. If the bond is insufficient to cover the liability of all claimants, the commissioner shall prorate the proceeds of the bond among the claimants on a percentage basis. The order of the commissioner may be enforced by appropriate proceedings in the district court of Ramsey county, and any party aggrieved by the order of the commissioner may appeal to said district court in the manner provided for appeal from other proceedings before the commissioner hear the matter as a contested case pursuant to procedures outlined in Minnesota Statutes, Chapter 15. However, no hearing will be held if all affected parties to a bond claim proceeding waive their rights to a hearing and agree to accept the commissioner's determination as to the validity of the claims and the allocation of the proceeds of the bond.

Sec. 7. Minnesota Statutes 1976, Section 17A.06, Subdivision 3, is amended to read:

**Subd. 3. LEGAL NOTICE.** Prior to a hearing before, the commissioner, he shall

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notify by certified mail all known potential claimants and publish a notice setting forth the default of the licensee and requiring all claimants to file proof of claim with the commissioner within three months of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made for three consecutive weeks in a newspaper published at the county seat of the county in which the licensee has his principal place of business. However, no such claim shall be allowed unless it is filed with the commissioner within one year of the date of the ~~alleged breach transaction~~. ~~Notwithstanding the above provisions,~~ If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control in determining the time for filing ~~and the admission of claims~~.

Sec. 8. Minnesota Statutes 1976, Section 17A.10, is amended to read:

**17A.10 PACKING PLANTS AND STOCKYARDS, WEIGHERS.** The commissioner shall appoint at public stockyards, packing plants, slaughtering houses, ~~or~~ buying stations, or livestock market agencies where the average daily number of livestock ~~slaughtered or handled~~ weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint at public stockyards, packing plants, slaughtering houses, ~~and~~ buying stations, or livestock market agencies on application from such ~~public stockyard, packing plant, slaughtering house, or buying station, facilities~~ where the average daily number of livestock ~~slaughtered or handled~~ weighed for the purpose of establishing a basis for sale is ~~250 head or more, but less than 500 head,~~ such weighers as may be necessary for weighing livestock, provided that no weighers shall ~~be appointed required~~ at packing plants or slaughtering houses at which facilities where the only livestock slaughtered or handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such weighers shall weigh all livestock coming to these places for sale, and keep a record thereof. Upon request, the weighers shall furnish the interested parties a certificate setting forth the number of animals weighed and the actual weight of such animal or animals. Such certificate shall be prima facie evidence of the facts therein certified. The scales at all such places on which livestock is weighed shall be constructed and maintained in accordance with the requirements of the state division of weights and measures, and be tested up to the maximum draft that may be weighed thereon, at least once every 90 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing.

Sec. 9. Minnesota Statutes 1976, Section 17A.11, is amended to read:

**17A.11 FEES FOR LIVESTOCK WEIGHING.** The commissioner shall prescribe the fee necessary to cover the cost of such weighing, to be assessed and collected from the seller in such manner as the commissioner may prescribe; provided, that the fee assessed be the same, and the manner of collection thereof be uniform at all ~~markets at which the average daily number of head of livestock bought and sold is 250 or more; and facilities,~~ and provided, further, that if at any location, except a public stockyard, where weighing is performed in accordance with Laws 1974, Chapter 347 and the total annual fees collected are insufficient to pay the cost of such weighing, the annual deficit shall be assessed and

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collected in such manner as the commissioner may prescribe. Additional moneys arising from the weighing of animals by the commissioner, which have been collected and retained by any person, shall be paid on demand to the commissioner. All moneys collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 10. **EFFECTIVE DATE.** This act is effective July 1, 1977.

Approved May 26, 1977.

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**CHAPTER 300—H.F.No.1405**

*An act relating to state employees; providing for investment options for deferred compensation; amending Minnesota Statutes 1976, Section 352.96, Subdivisions 2, 3 and 4.*

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

Section 1. Minnesota Statutes 1976, Section 352.96, Subdivision 2, is amended to read:

Subd. 2. **STATE EMPLOYEES; DEFERRED COMPENSATION INVESTMENT; PURCHASE OF SHARES.** The amount of compensation so deferred shall may be used to purchase:

(a) shares in the Minnesota supplemental retirement-fund established in section 11.18;

(b) saving accounts in federally insured financial institutions;

(c) life insurance contracts, fixed annuity and variable annuity contracts from companies which are subject to regulation by the insurance commissioner; or

(d) any combination of (a), (b) or (c) above, as specified by the participant.

The shares accounts or contracts so purchased shall stand in the name of the state of Minnesota or other employing unit, for the officer or employee whose deferred compensation purchased said shares, until distributed to said officer or employee in a manner agreed upon by the employee and the executive director of the Minnesota state retirement system, acting for the employer. Nothing in this subdivision shall be construed as to authorize an employer contribution, nor shall the state, the political subdivision, or other employing unit be responsible for any loss which may result from investment of the deferred compensation.

Sec. 2. Minnesota Statutes 1976, Section 352.96, Subdivision 3, is amended to read:

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