

and (c). The notice shall state the option and state that an escrow account is not required by the mortgagee, that the mortgagor is legally responsible for the payment of taxes and insurance, and that the notice is being given pursuant to subdivision 9.

Notice shall be given within 30 days after the effective date of the provisions of Laws 1977, Chapter 350 amending the subdivision, as to mortgagees offering option (c) above to mortgagors but not requiring escrow accounts as of the effective date, or within 30 days after a mortgagee's decision to discontinue requiring escrow accounts if the mortgagee continues to offer option (c) above to mortgagors. If no reply is received within 30 days, option (c) shall be selected for the mortgagor but the mortgagor may, at any time, select another option.

A mortgagee making a new mortgage and offering option (c) above to a prospective mortgagor shall, at the time of loan application, notify the prospective mortgagor of options (a), (b) and (c) above which must be extended to the prospective mortgagor. The mortgagor shall select one of the options at the time the loan is made.

Any notice required by this clause (2) shall be on forms approved by the commissioner of banking and shall provide that at any time a mortgagor may select a different option. The form shall contain a blank where the current passbook rate of interest shall be entered by the mortgagee. Any option selected by the mortgagor shall be binding on the mortgagee.

This clause (2) does not apply to escrow accounts which are excepted from the interest paying requirements of clause (1).

(3) A mortgagee shall be prohibited from charging a direct fee for the administration of the escrow account.

(4) A mortgagee shall make timely payments of tax and insurance bills provided that funds paid into the account by the mortgagor are sufficient for the payment. If there is a shortage of funds the mortgagee shall promptly notify the mortgagor of the shortage. Failure to make the payment required by this clause shall subject the mortgagee to liability for all damages caused by the failure except that this sentence shall not deprive the mortgagee of the right to present any legal defenses in any subsequent proceeding. The mortgagee is permitted to make any payment on behalf of the mortgagor even though there are not sufficient funds in a particular account to cover the payment.

Approved April 30, 1979.

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#### CHAPTER 49—H.F.No.523

*An act relating to public health; prescribing fees for diagnostic laboratory services provided by the department of health; providing exemptions for charging fees; authorizing the commissioner of health to promulgate rules; amending Minnesota Statutes 1978, Chapter 144, by adding a section.*

Changes or additions indicated by underline deletions by ~~strikeout~~

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

Section 1. Minnesota Statutes 1978, Chapter 144, is amended by adding a section to read:

**[144.123] FEES FOR DIAGNOSTIC LABORATORY SERVICES; EXCEPTIONS.** Subdivision 1. Except for the limitation contained in this section, the commissioner of health shall charge a handling fee for each specimen submitted to the department of health for analysis for diagnostic purposes by any hospital, private laboratory, private clinic, or physician. No fee shall be charged to any entity which receives direct or indirect financial assistance from state or federal funds administered by the department of health, including any public health department, nonprofit community clinic, venereal disease clinic, family planning clinic, or similar entity. The commissioner of health may establish by rule other exceptions to the handling fee as may be necessary to gather information for epidemiologic purposes. All fees collected pursuant to this section shall be deposited in the state treasury and credited to the general fund.

Subd. 2. The commissioner of health shall promulgate rules, in accordance with chapter 15, which shall specify the amount of the handling fee prescribed in subdivision 1. The fee shall approximate the costs to the department of handling specimens including reporting, postage, specimen kit preparation, and overhead costs. The fee prescribed in subdivision 1 shall be \$1.50 per specimen until the commissioner promulgates rules pursuant to this subdivision.

Sec. 2. **EFFECTIVE DATE.** This act is effective July 1, 1979.

Approved April 30, 1979.

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CHAPTER 50—H.F.No.638

*An act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating duplicate, redundant, conflicting and superseded provisions; amending Minnesota Statutes 1978, Sections 5.06; 15.0411, Subdivision 2; 16.723; 16A.71; 18.023, Subdivision 3a; 43.224; 52.04, Subdivision 1; 61A.245, Subdivisions 4, 7, and 12; 112.87; 122.531, Subdivision 4; 124.17, Subdivision 1; 150A.06, Subdivision 2a; 168.041, Subdivision 2; 168A.01, Subdivisions 18 and 19; 176.611, Subdivision 6a; 179.70, Subdivision 1; 192A.25, Subdivision 2; 192A.555; 221.011, Subdivision 22; 237.295, Subdivision 3; 270.01; 270.02, Subdivision 4; 270.10, Subdivision 1; 273.02, Subdivisions 2 and 3; 273.061, Subdivision 8; 274.18; 276.07; 279.03; 281.275; 282.15; 282.341, Subdivision 2; 290.01, Subdivision 20; 294.26; 326.48, Subdivision 2; 352B.11, Subdivision 2; 352D.02, Subdivision 1; 352E.01, Subdivision 2; 353.16; 354.44, Subdivisions 4 and 6; 355.56; 356.20, Subdivision 2; 356.60, Subdivision 1; 414.033, Subdivision 1; 414.035; 420.06; 422A.09, Subdivision 3; 423.076; 458A.03, Subdivision 2; 458A.06, Subdivisions 1 and 4; 462A.05, Subdivision 16; 462A.21, Subdivision 5; 507.09; 507.10; 507.13; 507.14; 518.005, Subdivisions 3 and 4; 524.3-303; 648.31, Subdivision 1; Laws 1975, Chapter 339, Section 10; repealing Minnesota Statutes 1978, Section 144.49, Subdivisions 2, 3 and 4; Laws 1977, Chapter 11, Section 8;*

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