

dependents or his employer for any damages resulting from the injury or death.

Sec. 2. Minnesota Statutes 1978, Section 176.061, Subdivision 6, is amended to read:

Subd. 6. **COSTS, ATTORNEY FEES, EXPENSES.** The proceeds of all actions for damages or settlement thereof under this section, except for damages received under subdivision 5, clause (b) received by the injured employee or his dependents or by the employer as provided by subdivision 5, shall be divided as follows:

(a) After deducting the reasonable cost of collection, including but not limited to attorneys fees and burial expense in excess of the statutory liability, then

(b) One-third of the remainder shall in any event be paid to the injured employee or his dependents, without being subject to any right of subrogation.

(c) Out of the balance remaining, the employer shall be reimbursed in an amount equal to all compensation paid under this chapter to the employee or his dependents by the employer less the product of the costs deducted under clause (a) divided by the total proceeds received by the employee or his dependents from the other party multiplied by all compensation paid by the employer to the employee or his dependents.

(d) Any balance remaining shall be paid to the employee or his dependents, and shall be a credit to employer for any compensation which employer is obligated to pay, but has not paid, and for any compensation that such employer shall be obligated to make in the future.

There shall be no reimbursement or credit to employer for interest or penalties.

Sec. 3. This act shall be effective for actions commenced after December 31, 1978.

Approved May 14, 1979.

CHAPTER 82—S.F.No.236

An act relating to the state auditor; providing for the examination of municipal records pursuant to petition; requiring signatures of 20 percent of the number of voters in the last presidential election for a petition to examine municipal records; establishing certain other requirements for petitions for examination of towns and school districts; requiring that the city, town and school district as well as county auditor be notified when the petition is certified; amending Minnesota Statutes 1978, Section 6.54.

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

Section 1. Minnesota Statutes 1978, Section 6.54, is amended to read:

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

6.54 **EXAMINATION OF MUNICIPAL RECORDS PURSUANT TO PETITION.** The ~~freeholders of any~~ registered voters in a home rule charter or statutory city or town may petition the state auditor to examine the books, records, accounts, and affairs of ~~any such~~ the home rule charter or statutory city, town, or of any organizational unit, activity, project, enterprise, or fund thereof; and the scope of the examination may be limited by the petition, but ~~such~~ the examination shall cover, at least, all cash received and disbursed and the transactions relating thereto, provided that the state auditor shall not examine more than the six latest years preceding the circulation of the petition, unless it appears to the state auditor during his examination that the audit period should be extended to permit a full recovery under bonds furnished by public officers or employees, and may if it appears to him in the public interest confine the period or the scope of audit or both period and scope of audit, to less than that requested by the petition. ~~When the population of any such city or town is not more than 2,000, the petition shall be signed by at least six freeholders for each 100 inhabitants; when the population thereof is over 2,000 the petition shall be signed by at least four freeholders for each 100 inhabitants~~ In the case of a home rule charter or statutory city or town, the petition shall be signed by a number of registered voters at least equal to 20 percent of those voting in the last presidential election. Likewise, The freeholders of any school district may petition the state auditor ~~in the same manner~~ and he shall be subject to the same restrictions regarding the scope and period of audit, provided that the petition shall be signed by at least ten freeholders for each 50 resident pupils in average daily membership during the preceding school year as shown on the records in the office of the commissioner of education. In no case shall the petition for an examination of a town bear the names of less than 25 ~~freeholders~~ registered voters; ~~and in the case of a city having a population over 2,000 said petition shall be signed by not less than 120 freeholders;~~ and provided, that in the case of school districts ~~and all other cities, said~~ , the petition shall be signed by at least ten freeholders. At the time it is circulated, every petition shall contain a statement that the cost of the audit will be borne by the city, town, or school district as provided by law. Thirty days before such ~~the~~ petition is delivered to the state auditor it shall be presented to the appropriate city, town or school district clerk and to the county auditor, of the county in which such city, town, or school district is situated; ~~who~~ The county auditor shall determine and certify whether ~~such~~ the petition is signed by the required number of ~~freeholders and shall certify such fact thereon; and such~~ registered voters or freeholders as the case may be. The certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs, charges and expenses of any examination made pursuant to ~~such~~ the petition.

Approved May 14, 1979.

CHAPTER 83—S.F.No.478

An act relating to town roads; providing for the establishment of certain cartways, and authorizing the expenditure of town road and bridge funds under certain conditions; amending Minnesota Statutes 1978, Section 164.08, Subdivision 2.

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

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