

in section 53.04, ~~clause (4)~~ subdivision 5, of not less than ten percent of the amount of indebtedness thus created. Three percent of this indebtedness shall be in cash in the actual possession of the industrial loan company or on demand deposit in approved banks of this state, and seven percent of the total indebtedness may be in bonds admissible for investment by mutual savings banks under the laws of this state; provided, that such certificates of indebtedness as are issued under authority of section 53.04, ~~clause (2)~~ subdivision 3, and are held by the industrial loan and thrift company as security for its own loans, shall not be considered as an indebtedness for which a reserve must be maintained under this section.

Sec. 5. This act is effective on the date of final enactment.

Approved April 9, 1976.

CHAPTER 236—HF.No.2117

[Coded in Part]

An act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes 1974, Section 256B.02, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Sections 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

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

Section 1. Minnesota Statutes 1974, Section 256B.02, is amended by adding a subdivision to read:

Subd. 10. PUBLIC WELFARE; MEDICAL ASSISTANCE FOR NEEDY; ACCIDENT INSURANCE PROCEEDS. "Automobile accident coverage" means any plan, or that portion of a plan, regulated under chapter 65B, which provides benefits for medical expenses incurred in an automobile accident.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 256B.042, is amended by adding a subdivision to read:

Subd. 3. To recover under this section the attorney general, or the appropriate county attorney acting at the direction of the attorney general, shall represent the state agency.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 256B.06, Subdivision 1, is amended to read:

256B.06 ELIGIBILITY REQUIREMENTS. Subdivision 1. Medical assistance may be paid for any person:

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

(1) Who is eligible for or receiving public assistance under the aid to families with dependent children program; or

(2) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

(3) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

(4) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(5) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(6) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(7) Who alone, or together with his spouse, does not have equity in real property in excess of \$15,000; and

(8) Who, if single, does not have more than \$750 in cash or liquid assets or, if married, whose cash or liquid assets do not exceed \$1,000 plus \$150 for each additional legal dependent; and

(9) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (man and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application (—, or during the three months prior to the month of application —), incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In ~~such~~ excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred.

Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, both excess income and income over and above that required for justified needs are to be applied to the cost of institutional care; and

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(10) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Approved April 9, 1976.

CHAPTER 237—HLF.No.2225

An act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

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

Section 1. Minnesota Statutes, 1975 Supplement, Section 197.973, is amended to read:

197.973 VETERANS; ADJUSTED COMPENSATION; APPLICATIONS; TIME LIMIT. Subdivision 1. Each veteran or his beneficiary or next of kin entitled to adjusted compensation may make application therefor to the commissioner, which shall be made upon a form prescribed by the commissioner and verified by the applicant; provided that if the veteran be incompetent or his beneficiary or next of kin be a minor or an incompetent application shall be made by his guardian. Each application shall be accompanied by such evidence of honorable service during the period of service, and such other information and evidence, all as the commissioner may require.

Subd. 2. No payment of adjusted compensation shall be made under the provisions of Minnesota Statutes, Sections 197.971 to 197.986, unless the application therefor is received by the commissioner on or before December 31, 1976.

Sec. 2. Laws 1975, Chapter 3, Section 2, is amended to read:

Sec. 2. This appropriation is exempted from all provisions of chapters 16 and 16A covering cancellation of funds and shall not lapse at the end of any fiscal year but shall be reappropriated for the following fiscal year and shall expire ~~December 31, 1976~~ June 30, 1977 .

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