

Appropriation and use of surface water from streams during periods of flood flows and high water levels shall be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area shall be discouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada shall be discouraged, subject to the jurisdiction of the United States government.

No permit shall be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, provided that regional and local plans are consistent with statewide plans. The commissioner shall not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued pursuant to section 105.44, subdivision 8, between May 1 and October 1 of any year, unless the commissioner determines the authorized amount of appropriation endangers any domestic water supply.

Sec. 3. This act is effective the day following its final enactment.

Approved March 16, 1978.

CHAPTER 506-S.F.No.1955

An act relating to transportation construction contracts; defining the term "small business"; amending Minnesota Statutes, 1977 Supplement, Section 161.321, Subdivision 1.

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

Section 1. Minnesota Statutes, 1977 Supplement, Section 161.321, Subdivision 1, is amended to read:

161.321 SMALL BUSINESS CONTRACTS. Subdivision 1. **DEFINITIONS.** For purposes of this section the following terms have the meanings given them, except where the context clearly indicates a different meaning is intended.

(a) "Small business" means a business entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative which has its principal place of business in ~~Minnesota~~ these United States, and which (i) in the preceding three fiscal years has not exceeded a an aggregate total of \$3,000,000 in gross receipts, and (ii) is not an affiliate or subsidiary of a business which in the preceding three fiscal years has exceeded a an aggregate total of \$5,000,000 in gross receipts.

(b) "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the

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

economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, or other similar cause.

(c) "Physically handicapped person" means a person who has suffered a substantial physical disability or dysfunction.

(d) "Award" means the granting of a contract in accordance with all applicable laws, regulations and rules governing competitive bidding except as hereinafter specifically modified.

(e) "Contract" means an agreement entered into between a business entity and the state of Minnesota for the construction of transportation improvements.

(f) "Subcontractor" means a business entity which enters into a legally binding agreement with another business entity which is a party to a contract as defined in clause (e).

Approved March 16, 1978.

CHAPTER 507-H.F.No.405

[Coded in Part]

An act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75, Subdivisions 1 and 3; Chapters 349, by adding a section; and 609, by adding a section.

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

Section 1. Minnesota Statutes 1976, Section 325.54, Subdivision 1, is amended to read:

325.54 GAMBLING DEVICE; POSSESSION OF. Subdivision 1. INTENTIONAL POSSESSION; WILFUL KEEPING. The intentional possession or wilful keeping of a gambling device upon any licensed premises is cause for the revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, provided that possession of gambling devices commonly known as "paddlewheels" or "tipboards" or apparatus used in conducting raffles on the premises of a nonprofit organization and operated by organizations licensed for such operation pursuant to section 3 shall not be cause for revocation of a license.

Sec. 2. Minnesota Statutes 1976, Section 340.14, Subdivision 2, is amended to read:

Subd. 2. **RESTRICTIONS.** Every licensee shall be responsible for the conduct of **Changes or additions indicated by underline deletions by ~~strikeout~~**