or sale of any article for purposes of national defense during times of national emergency where such production or sale is otherwise permitted by the laws of the United States or the State of Minnesota.

Approved April 22, 1953.

CHAPTER 617-S. F. No. 1535

[Coded]

An act to promote the public welfare, relating to aid to needy individuals who are permanently and totally disabled. Be it enacted by the Legislature of the State of Minnesota:

- Section 1. [245.21] Declaration of policy. Financial assistance, as far as practicable under the conditions in this state, to needy individuals who have attained the age of 18 years and have not attained the age of 65 years, who are permanently and totally disabled, is hereby declared to be a special matter of state concern and a necessity in promoting health and welfare. To provide such assistance, a state wide system of aid to needy individuals, who are permanently and totally disabled, are within the age limits herein stated, and have the qualifications prescribed by this act, is hereby established. This system shall be in effect in all counties of this state and mandatory upon them.
- Sec. 2. [245.22] Definitions. Subdivision 1. Terms. Unless the context clearly indicates otherwise, the following terms, for the purposes of this act, shall have the meanings, respectively, ascribed to them in this section.
- Subd. 2. Assistance. "Assistance" means money payments to, or payments for medical care in behalf of, needy individuals who are permanently and totally disabled, made as provided for in this act.
- Subd. 3. Applicant. "Applicant" means any person who has applied for assistance.
- Subd. 4. Recipient. "Recipient" means any person who has been granted assistance.
- Subd. 5. State agency. "State Agency" means the director of social welfare.
- Subd. 6. County agency. "County Agency" means a county welfare board operating under and pursuant to the provisions of Minnesota Statutes 1949, Chapter 393.

- Subd. 7. Permanently and totally disabled individual, disabled person. "Permanently and totally disabled individual", hereinafter referred to as a "disabled person", means one who is found by medical authority to be so totally and permanently disabled as to require constant and continuous care. Certification of permanent and total disability shall be by a licensed physician or panel of physicians on forms to be prescribed by the division of social welfare, provided that such certification of disability shall be subject to review by a panel of physicians advisory to the state division of social welfare.
- Subd. 8. Medical institution. "Medical institution" means an institution, public or private, other than an institution for tuberculosis or mental diseases, established to provide medical care, licensed by the state department of health.
- Subd. 9. Patient. "Patient" means an individual admitted to a medical institution because of injuries or illness, who is receiving medical care and for whom there is planned continuing medical care directed toward improvement in health, or for whom palliative medical care is required though improvement in health or recovery cannot be expected, and who is free to leave the institution at the conclusion of treatment, or at any other time, upon his own decision.
- Subd. 10. Medical care. "Medical care" means medical, dental, surgical, hospital, nursing, or licensed nursing home care, provided or prescribed by persons authorized by law to give such care.
- Subd. 11. Social Security Act. "Social Security Act" means the act of congress enacted by the 74th Congress of the United States, approved August 14, 1935, Public Law No. 271, and any amendments to or supplements thereof, including specifically the "Social Security Act Amendments of 1950", Public Law No. 734, 81st Congress, approved August 28, 1950, and any act of the congress encompassing the same field.
- Subd. 12. Administrator. "Administrator" means the federal security administrator, charged by the congress of the United States with the duty of administering the social security act, and any person, division, board or agency now or hereafter designated by or under the authority of the congress of the United States to exercise his functions and perform his duties, or any of them.
- Sec. 3. [245.23] State agency, duties. Subdivision 1. Supervise administration of assistance. The state agency shall supervise the administration of assistance by the county agencies under the provisions of this act.

- Subd. 2. Uniform rules. The state agency shall make uniform rules and regulations, not inconsistent with law, in the manner provided by law, for carrying out and enforcing the provisions of this act in an efficient, economical, and impartial manner, and to the end that the assistance system hereby established may be administered uniformly throughout the state, having regard for varying costs of living in different parts of the state, and in all things to carry out the spirit and purpose of this act. Specifically, he may make uniform rules and regulations further defining "permanently and totally disabled individuals", "medical care" and "medical institution", such definitions to be consistent with and in furtherance of the spirit and purposes of this act. He shall make rules and regulations which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of aid to disabled persons. All such rules and regulations shall be furnished immediately to all county agencies and shall be binding on those county agencies.
- Subd. 3 Applications, forms. The state agency shall prescribe the form of, print, and supply to the county agencies blanks for applications and reports and such other forms as may be necessary or advisable for proper administration of this act.
- Cooperation with administrator. agency shall cooperate with the administrator in the administration of the program for aid to needy totally and permanently disabled individuals in this state so as to bring to the state full advantages of the provisions of the social security act amendments of 1950, Public Law No. 734, Part 5, being Title XIV of the social security act as amended, and any amendments thereof, and any act of the congress encompassing the same field, including the furnishing of such reports and information as the administrator may require.
- Sec. 4. [245.24] County agencies. Administer system of assistance in counties. Subdivision 1. The county agencies shall administer the system of assistance to disabled persons in their respective counties under the supervision and in compliance with the requirements of the state agency, and shall make such reports, prepare such statistics and keep such records and accounts in relation thereto as the state agency may require.
- The county Subd. 2. Physician's services authorized. agency may designate and pay for the services of a physician or physicians to assist it in investigating applications for as-

sistance, for the purpose of determining the eligibility of applicants or recipients.

- Sec. 5. [245.25] Assistance, to whom given. Subdivision 1. Residence. Any resident of this state who is eligible to receive assistance and who complies with its provisions is entitled to receive assistance while continuing to reside in this state. Temporary absence from the state may be allowed a recipient in accordance with the rules and regulations of the state agency.
- Subd. 2. Application. Any individual who believes that he is eligible for assistance shall have the opportunity to apply for it; his application shall be promptly investigated, and if he is found eligible, assistance shall be furnished to him with reasonable promptness.
- Subd. 3. Amount of assistance. The amount of assistance shall be fixed with due regard to the conditions in each case and in accordance with the rules and regulations of the state agency, but in no case shall it be an amount which, when added to the net income and resources available to the support and care of the applicant, exceeds a total of \$60 a month.
- Subd. 4. Annual income of recipient. The annual income of any property which is not so utilized as to produce reasonable returns shall be deemed to be the net income which would be available if the property were suitably used. Due consideration shall be given to the current or prevailing conditions affecting the use of such property.
- Subd. 5. Fixing amount of assistance. In determining need and in fixing the amount of assistance, there shall be taken into consideration all income and resources of the applicant or recipient.
- Sec. 6. [245.26] Needy individuals. Subdivision 1. Qualifications required. Subject to the other provisions of this act, assistance may be granted to a needy individual who:
- (1) has attained the age of 18 years, but has not attained the age of 65 years;
- (2) is a citizen of the United States, or has resided continuously in the United States for over 25 years;
- (3) has been a resident of this state for at least one year immediately preceding his application;
 - (4) is permanently and totally disabled.

- Subd. 2. Absence in service of state or United States. For all purposes of this act, absence in the service of the state of Minnesota or of the United States shall not be deemed to interrupt residence in this state if domicile be not acquired outside of the state.
- Sec. 7. [245.27] Assistance, when not to be paid. Subdivision 1. Inmates of public institutions, No assistance shall be paid to a disabled person while or during the time he is an inmate of, and receives gratuitously all the necessities of life from, any public institution maintaned by the United States or any state, or any of the political subdivisions of this state, or while or during the time he is a patient in an institution for tuberculosis or mental diseases, or is a patient in a medical institution as a result of having been diagnosed as having tuberculosis or psychosis, or is receiving old age assistance, aid to dependent children, or aid to the blind. However, except as last hereinbefore provided, where medical care is being furnished to patients in public medical institutions, part or all of any assistance may be paid at the discreton of the county agency, subject to rules and regulations made by the state agency.
- Subd. 2. Conditions under which assistance is not paid. Except as provided in subdivision 3, no assistance shall be paid to a disabled person if:
- (1) that disabled person owns personal property, convertible into cash, of a reasonable market value exceeding \$300;
- (2) that disabled person and spouse own personal property, convertible into cash, of a combined reasonable market value exceeding \$450;
- (3) That disabled person or spouse, or both together, own any real estate except such as used exclusively as a home and the market value of which less encumberances exceeds \$7500.
- Subd. 3. Conditions determined, things not considered. (1) Household goods and furniture in use in the home, wearing apparel, and a lot in a burial ground shall not be considered in determining the property limitation set forth in subdivision 2.
- (2) If the liquidation of the personal property convertible into cash referred to in subdivision 2 would cause undue loss or hardship, the county agency, in its discretion, may nevertheless grant assistance.

- (3) If there is no available market for the sale of the real estate specified in clause (3) of subdivision 2 as a bar to the granting of assistance, or if the price which can be obtained on the prevailing market for that real estate is not fair and reasonable, considering the interest of the disabled person, spouse, or both, therein and the possibility of a sale of said property for a greater amount within a reasonable length of time after the application for assistance is made, the county agency may nevertheless, in its discretion, grant assistance.
- Subd. 4. Disabled person divesting himself of property. No assistance shall be paid to a disabled person:
- (1) who has, after the passage of this act, or within two years prior thereto deprived himself directly or indirectly of any property for the purpose of qualifying for assistance;
- (2) whose spouse has made an assignment or transfer directly or indirectly of any property for the purpose of qualifying either person for assistance under this act.
- Subd. 5. Relatives able to provide adequate care. No assistance shall be paid to a disabled person whose parents, children, brothers or sisters are able to provide adequate care and support of that person.
- Sec. 8. [245.28] Residence of disabled person. For the purposes of this act, a disabled person shall be conclusively deemed to be a resident of the county in which he has resided for one year immediately preceding the filing of his application for assistance, or, if he has not resided in any one county for that period, his residence shall be conclusively deemed to be the county in which he has longest resided during the year immediately preceding the filing of that application. The county of his residence, as herein defined, shall be liable for all payments of assistance to him under the provisions of this act. The time during which a person has been an inmate of a hospital, poor house, jail, prison or other public institution, or an inmate of a private charitable institution or home for the aged, either by voluntarily becoming an inmate thereof, or if placed there and maintained by any governmental unit of the state or by his children or relatives, or under commitment to the guardianship of the director of social welfare or one of the state institutions, shall be excluded in determining the time of residence hereunder.
- Sec. 9. [245.29] Application for assistance. Subdivision 1. Filing. An applicant shall file his application for assistance in writing with the county agency of the county in which he resides at the time of making application in such

manner and form as shall be prescribed by the state agency. All statements in the application shall be verified by the applicant. The county agency must notify every applicant of his right to a fair hearing before the state agency on any county agency action on his claim for assistance or failure to act with reasonable promptness thereon, and of the method by which he may obtain a hearing.

- Investigation. Upon the filing of an application for assistance, the county agency shall promptly make or cause to be made such investigation as it may deem necessary and as may be required by the rules and regulations of the state agency. Upon the completion of that investigation, the county agency shall promptly decide whether the applicant is eligible for assistance. If it decides that the applicant is eligible for assistance, it shall decide upon the amount of that assistance and the date on which it shall begin, and shall make a grant of assistance which shall be binding upon the county and be complied with by the county until that grant is modified or vacated. The county agency shall notify the applicant of its decision in writing. That assistance shall be paid monthly to the applicant upon order of the county agency from funds appropriated to that agency for this purpose. The county agency shall, upon the granting of that assistance, file an order, on a form to be approved by the state agency, with the auditor of the county, and thereafter warrants shall be drawn and payments made only in accordance with that order to the recipient of that assistance subject to the provisions of section 18.
- Transfer of application to proper county. upon the investigation provided for in subdivision 2 the county agency shall decide that the application was not filed in the county of applicant's residence as defined by section 8, subdivision 1, it shall transfer the application and all records of its investigation, together with a copy of its decision, to the county agency of the county which it has decided is the county of the applicant's residence. Thereupon the county agency of that county shall proceed in the same manner as though the application had been originally filed with it. If the county agency to which the application is transferred, after such investigation as it deems proper, which shall be promptly made, decides that the county of which it is the agency is not the county of the applicant's residence, it shall transmit the original application, and all other matters transmitted to it by the first county, together with the record of any invesigation made by it and a copy of its decision, to the state agency, which shall thereupon promptly decide the question of residence and make an order referring the application to the county agency

of the proper county for further action. The state agency may make such investigation as it deems proper before making its decision. It shall prescribe rules and regulations for carrying into effect this subdivision. The order of the state agency shall be binding upon the county agency involved and the applicant or recipient, and shall be complied with by that agency unless reversed on appeal as hereinafter provided. The county agency to which an application is thus referred shall thereupon proceed promptly to comply with the provisions of subdivision 2. All the provisions of this act apply to county agencies to which applications have been transferred under this subdivision, to the counties in which they act, all officers of those counties, and applicants and recipients involved in those transfers.

Sec. 10. [245.30] Appeals from decision or order of Subdivision 1. Appeal to state agency. county agency. Any applicant or recipient aggrieved by any decision or order of a county agency may appeal therefrom to the state agency. An appeal may also be taken if the application is not acted upon by the county agency with reasonable promptness. The state agency shall, upon receipt of any such appeal, notify the county agency and review the case with reasonable promptness, giving the applicant or recipient and the county agency an opportunity for a fair hearing before it. The state agency may, upon its own motion, review any decision or order made by a county agency or consider any application upon which a decision or order has not been made by a county agency with reasonable promptness, with the same opportunity for a fair hearing to be given the applicant or recipient and the county agency as upon appeal. Upon any appeal to the state agency, or when the state agency decides, upon its own motion, to review any decision of a county agency or to consider any application upon which a decision has not been made by the county agency with reasonable promptness, the county agency shall, upon request of the state agency, forthwith forward to it the original application, the record of its investigation and of the investigations of any other county, all medical and other reports made to it, and any and all other records filed with or considered by it, together with copies of any decision or order made by it; all of which shall constitute a part of the record of the state agency, to be considered by it. The state agency may make such additional investigation as it may deem necessary, and shall make such decision and order as to the granting of assistance and as to the amount and nature of assistance to be paid the applicant or recipient, if granted, as it decides is justified and in conformity with this act. Any applicant or recipient shall have the right at all hearings before

the state agency to produce any evidence that he desires and to be represented by a friend or counsel. Every decision and order of the state agency shall be binding upon the county agency involved and the applicant or recipient, and shall be complied with by the county agency unless modified or reversed on appeal as hereinafter provided.

- If a decision or or-Subd. 2. Appeal to district court. der of the state agency is not, in the opinion of the county agency, or of the applicant or recipient, in conformity with this act, either may within 30 days after that decision or order appeal from the decision or order to the district court of the county in which the application was finally filed by serving a copy of a written notice of appeal upon the state agency and the adverse party and filing the original of the written notice. together with proof of service, with the clerk of the district court of the county. The appeal may be brought on for hearing by either party by mailing ten days' written notice stating the time and place of such hearing. Upon serving of that notice, the state agency shall, if demanded, furnish the county agency and applicant or recipient a summary of the issues involved, a copy of all supporting papers, a transcript of any testimony and a copy of its decision or order. The court shall try and determine the appeal upon the record of the state agency as certified to it and in its determination shall be limited to the issue as to whether the decision or order of the state agency is fraudulent, arbitrary or unreasonable. No new or additional evidence shall be taken on such appeal or introduced by any party to such hearing on appeal in the district court, unless such new or additional evidence, in the opinion of the court, is necessary to a disposition of the appeal. The court shall within 30 days make its decision upon the appeal, giving its reasons therefor, and shall order the state agency to take further action in the matter not inconsistent with the determination of the court.
- Subd. 3. Hearing in district court. The matter may be heard by the district court at any general or special terms thereof or out of term or in chambers; and in judicial districts having more than one judge, the senior or presiding judge shall hear the same, or if unable to do so, shall refer the matter to some other judge in the district.
- Subd. 4. Appeal to supreme court. The applicant or recipient, or the county agency, or the state agency, may appeal from the order of the district court to the supreme court in the same manner as appeals are taken from appealable orders in civil actions. No costs or disbursements shall be taxed against

any party on appeals to the district court or to the supreme court.

- Subd. 5. Grants paid, pending appeals. All grants of assistance shall be paid pending the hearing and determination of appeals to the district court or supreme court when such assistance has been ordered paid by the state agency. If the appeal shall be from an order of the state agency raising or lowering the amount paid to a recipient, and if the order of the state agency shall not be sustained, then the recipient shall from and after the first day of the month next following the final order of the district court receive the amount, if any, theretofore fixed by the county agency, subject to the provisions of section 18.
- Subd. 6. Protests against grants. Any taxpayer of the state, resident therein, may appear at any time before the county agency of the county wherein he resides and protest the granting or continuance of any individual assistance, or any portion thereof, with the same right to appeal to the state agency as granted an applicant or recipient.
- Sec. 11. [245.31] Provisions of law applicable. Subdivision 1. Sections 256.22, 256.23. The provisions of Minnesota Statutes 1949, Sections 256.22 and 256.23, are hereby made applicable to all proceedings under this act.
- Subd. 2. Section 256.25. The provisions of Minnesota Statutes 1949, section 256.25, as to the allowance as claims in the probate court of amounts paid as old age assistance are made applicable to amounts paid as assistance under the provisions of this act.
- Subd. 3. Payments upon recovery of moneys. When any amount shall be recovered from any source for assistance furnished under the provisions of this act, there shall be paid to the United States the amount which shall be due under the terms of the social security act, and the balance thereof shall be paid into the treasuries of the state and county, in the proportion in which they respectively contributed toward the total assistance paid.
- Subd. 4. Assistance payments not transferable. No assistance given under this act shall be transferable or assignable at law or in equity, except as provided in subdivision 3 of this section, and no money paid or payable under this act shall be subject to execution, levy, attachment, garnishment or other legal process or to the operation of any bankruptcy or insolvency law.

- Subd. 5. Section 256.35. The provisions of Minnesota Statutes 1949, section 256.35, as to mandamus proceedings under the old age assistance act, shall be applicable to county agencies and county auditors under this act.
- Subd. 6. Change of residence, notice to be given. When a recipient changes his place of residence, he shall notify the county agency in which the grant of assistance to him is in effect. If he removes to another county, he shall declare whether such absence is temporary or for the purpose of taking up regular domicile. The county originally granting assistance shall continue to pay the same regardless of change of residence within the state by a recipient.
- Subd. 7. Power to modify grants as a group. Neither the county agency nor the state agency shall have the power to grant or modify any assistance to applicants or recipients as a group, but must consider each application, each modification and each grant of assistance individually upon its merits.
- Sec. 12. [245.32] Payments of assistance made to recipient, exceptions. All payments of assistance must be issued to the recipient except:
- (1) in those instances in which a legal guardian has been appointed by the court having jurisdiction to make such appointments;
- (2) in those instances in which the county agency, subject to rules and regulations of the state agency, determines that payments for medical care shall be made directly to the vendor of such care.
- Sec. 13. [245.33] Reports by recipients. Each recipient shall file such reports with the county agency as the county agency or the state agency may from time to time require.
- [245.34] Offenses. Subdivision 1. Sec. 14. tempts to gain assistance fraudulently. Whoever obtains, or attempts to obtain, or aids or abets any person to obtain, by means of a wilfully false statement or representation, or by impersonation or other fraudulent device, assistance to which he is not entitled, or assistance greater than that to which he is entitled, or payment of any forfeited installment grant, or knowingly aids or abets in buying or in any way disposing of the property of a recipient of assistance without the consent of the state agency with intent to defeat the purposes of this act, or who, being a recipient, transfers any personal property exceeding \$300 in value, without first giving notice to the county agency of his intention so to do, shall be guilty of a gross misdemeanor.

- Subd. 2. Conviction. If a recipient or applicant is convicted of an offense under subdivision 1 of this section, the county agency may deny a grant of assistance, which it might otherwise make, or cancel a grant theretofore made.
- Sec. 15. [245.35] Payments of grants. Subdivision 1. By county in first instance. Each grant of assistance shall be paid in the first instance by the county in which the grant was made, in the manner provided for in section 9, subdivision 1.
- Subd. 2. By state agency. The county agency shall submit to the state agency an estimate of expenditures for each succeeding month in such form as required by the state agency. Payment shall be made monthly in advance by the state agency to the counties of federal funds available for that purpose for each succeeding month, together with an amount of state funds equal to ten per cent of the difference between the total estimated cost and the federal funds so available. Adjustment of any overestimate or underestimate made by any county shall be made upon the direction of the state agency in any succeeding month.
- Sec. 16. [245.36] Provisions to finance payments. Subdivision 1. Section 393.08 applicable. The provisions of Minnesota Statutes 1949, Section 393.08, are hereby made applicable to assistance granted under this act.
- Subd. 2. Transfer of surplus funds from other county funds. Any county may transfer surplus funds from any county fund, except the sinking or drainage ditch funds, to the fund established for the payment of assistance under the provisions of this act in order to provide moneys necessary to administer that assistance, pending collection of taxes levied for that purpose. Any portion of money so transferred not needed for administering assistance shall be transferred back to the fund from which it was taken.
- Subd. 3. Borrowing money. Any county not having surplus funds available for transfer may borrow the necessary sum required for granting assistance under this act until taxes levied for that purpose are available.
- Sec. 17. [245.37] Social security act to be given effect. This act, in its various terms and provisions, including the amount of assistance paid to a disabled person hereunder, is intended to comply with and give effect to the social security act referred to herein. In event federal funds are not available or are inadequate to pay in full the proportions of assistance grants contemplated by this act, payment of which is provided for by the social security act, then and in such case, and until

federal funds are available in full, the county agency of each county must reduce each assistance grant to a disabled person by an amount equal to such deficiency.

- Sec. 18. [245.38] Consideration of assistance granted. All assistance granted under this act shall be considered as frequently as may be required by the rules of the state agency. After such further investigation as the county agency may deem necessary or the state agency may require, the amount of assistance may be changed or assistance may be entirely withdrawn if the state or county agency finds that the recipient's circumstances have altered sufficiently to warrant such action. The county agency may for cause at any time revoke, modify or suspend any grant of assistance previously made. All such decisions shall be subject to appeal and review by the state agency as provided in section 10.
- Sec. 19. [245.39] Reexamination of recipients. Every recipient shall submit to a reexamination as to his mental and physical condition at least once in every three years, unless excused therefrom by the state agency, and at other times when required to do so by the state agency. He shall furnish any information required by the state agency or county agency for the purpose of deciding upon his continued eligibility for assistance under this act.
- [245.40] Recipient's refusal of medical care. Assistance under this act shall not be granted or continued to any applicant or recipient who unreasonably refuses medical care when the condition making him a totally and permanently disabled individual may be partially or wholly remedied by such care, and a certificate in writing to that effect is made by three properly qualified and licensed physicians, one selected by the affected person, one selected by the state agency, and one selected by these two. If the applicant or recipient refuses, upon notification so to do by the state agency or the county agency, to select a physician to act under this section, the county or state agency may select one for him. Any person denied a grant or continuance of assistance upon this ground may appeal to the state agency in the manner provided in section 10.
- Sec. 21. [245.41] Standards for medical institutions. The state department of health is designated as the authority which shall be responsible for establishing and maintaining standards for medical institutions, patients in which are eligible for assistance under this act, and all such medical institutions shall be subject to the provisions of Minnesota Statutes 1949, Chapter 144, and the rules and regulations of and standards established by the state department of health thereunder.

- Sec. 22. [245.42] Methods of administration by state The state agency shall prescribe such methods of administration as are necessary for compliance with requirements of the social security act, as amended, and for the proper and efficient operation of the program of assistance under this act. These methods of administration include methods relating to the establishment and maintenance of personnel standards on a merit basis as concerns all employees of county agencies except those employed in an institution, sanatorium, or hospital. The state agency shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods. The state agency shall establish and maintain a system of personnel standards on a merit basis for all such employees of the county agencies and the examination thereof, and the administration thereof shall be directed and controlled exclusively by the state agency, except in those counties in which such employees are covered by a merit system that meets the requirements of the state agency and the administrator.
- Sec. 23. [245.43] Grants of assistance, approval by administrator. Grants of assistance may be made only after a plan for such assistance, prepared by the state agency, has been approved by the administrator and in no case prior to July 1, 1953.
- Sec. 24. There is hereby appropriated out of any money in the state treasury not otherwise appropriated the sum of \$24,000 for the year ending June 30, 1954, and \$36,000 for the year ending June 30, 1955, or so much thereof as may be necessary to carry out the intent of this act.

Approved April 22, 1953.

CHAPTER 618-S. F. No. 1670

An act relating to school districts; amending Minnesota Statutes 1949, Section 125.18; repealing Special Laws 1887, Chapter 1, Sub-chapter 9, Section 14, and Laws 1953, Chapter 72.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1949, Section 125.18, is amended to read:

125.18 Contracts. Subdivision 1. Advertisement for bids. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, or for the construction