

half pint or more, except ~~containers of~~ *those containing* fermented malt beverages and ~~of~~ wine designed and intended exclusively for sacramental purposes, shall bear a label to be known as a certification label containing the following printed language:

“The manufacturer of the contents of this container certifies that the liquor herein contains no matter deleterious or injurious to health, and that the contents are as described on the label or labels affixed hereto, as required by the laws of the United States.”

The liquor control commissioner may by regulation prescribe that the labels shall be affixed to each bottle or other container of intoxicating liquor containing one-half pint or more of intoxicating liquor, rather than to the carton.

~~The certification labels may be affixed to the containers of wine instead of to each bottle.~~ The liquor commissioner may by rule and regulation prescribe the number and denomination which may be affixed to the ~~container~~ *carton* which shall be equivalent in denomination to the number of bottles therein.

Sec. 2. *This act shall become effective January 1, 1966.*

Approved May 26, 1965.

CHAPTER 809—H. F. No. 2188

[Coded in Part]

An act relating to the organization and operations of state government; appropriating moneys with certain conditions for education and related purposes, including the University of Minnesota and its hospitals, state colleges, aids to libraries, junior colleges, and its hospitals, state colleges, aids to libraries, junior colleges, payment of agricultural agents, and limiting and regulating the use thereof; establishing a commission for liaison and higher education facilities, providing aid to school districts including those affected by gross earnings taxation and authorizing the power of eminent domain with certain of the funds provided hereby; transferring moneys between accounts and funds in the state treasury; creating a supplemental retirement account; controlling certain treasury receipts; imposing conditions relative to the expenditure of public moneys, and providing for certain temporary borrowing; repealing Minnesota Statutes 1961, Section 33.17, Subdivision 3 as added by Laws 1963, Chapter 832, Section 4.

Changes or additions indicated by italics, deletions by strikeout.

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

Section 1. Education; appropriation. Except as herein otherwise provided, the sums hereinafter set forth in the columns designated "APPROPRIATIONS", or so much thereof as may be necessary, are hereby appropriated out of the general revenue fund in the state treasury or any other fund herein designated for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1965", "1966", and "1967" wherever used in this act, shall mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1965, 1966, and 1967 respectively.

		APPROPRIATIONS Available for the Year Ending June 30	
		1966	1967
		\$	\$
Sec. 2. DEPARTMENT OF EDUCATION:			
Subdivision 1.	Salaries	936,467	948,098
Approved Complement—161			
The appointment of the commissioner of education shall be made with the advice and consent of the senate.			
The state board of education is hereby authorized to appoint an assistant to the commissioner in the classified civil service whose duties shall be prescribed by the commissioner and whose salary shall be in range 44.			
Subd. 2.	Supplies and Expense	145,056	146,746
The appropriations in subds. 1 and 2 include funds for research and for the purposes of Laws 1963, Chapter 837, sec. 2, subds. 1 and 2.			
Provided that notwithstanding the provisions of M.S. 1961, Sec. 121.26, to the contrary, the fee for registering with the teachers employment bureau shall not be less than \$6.00.			
Subd. 3.	Organization and Management Study of the Department of Education	25,000	
Provided that the balance shall not cancel on June 30, 1966, but be available for the following year.			
The above funds are hereby appropriated to the department of administration to be used to contract for qualified services to study and evaluate the functions, responsibilities and organization of the			

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

department of education. Such study shall include a detailed analysis and evaluation of the department including the following: organization, structure and management practices, personnel practices and employment procedures, staffing assignments, services and relationship with local school districts, departmental budget practices including both federal and state funds, inter-departmental relationships, federal program relationships, and overall policies and educational leadership. It shall include a review of the statutory authority under which the department operates in the light of present and future demands upon elementary and secondary education. A report shall be submitted to the legislature and the department of education on or before December 1, 1966 setting forth the results of the study and any findings or recommendations deemed pertinent.

Subd. 4. Vocational Training of Disabled Persons, including the Homecrafters Program and the Rehabilitation of Epileptic Persons	876,837	924,600
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Of the amount of state funds appropriated by subd. 4, no additional employees shall be granted beyond the approved roster of 93.

Subd. 5. Scholarships for Indian Students	25,000	25,000
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Subd. 6. Community Lunch Program	475,000	475,000
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Of the amount provided by subd. 6, so much thereof as is necessary shall be used for the type "C" milk program. To be distributed under standards established by the state board of education.

Subd. 7. Aid to Public Libraries	200,000	200,000
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Provided that not to exceed 10% of the appropriation each year may be expended for administration and for providing direct library service. The balance shall be used as financial assistance to public libraries as defined herein.

A public library is a public library serving 20,000 or more persons or serving less than 20,000 persons with the approval of the commissioner of education and receiving annually from public funds financial support of at least one mill on the assessed valuation of the taxable property in the area served by the library.

Applications for financial assistance shall contain such information as the department requires including descriptions of areas served by the applicant and the number and distribution of persons residing therein; the local plan of the applicant for promoting library service in the areas it serves and an estimate

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

of the financial assistance to put such plan in effect, and a statement of the ability of local government within the area served by the applicant to finance operations out of public funds raised by local taxes. Financial assistance shall be granted to an eligible applicant proposing an economical and practical plan for the promotion of library service in the area in such amount and subject to such conditions as the department determines after considering the information contained in the application for assistance and the total amount of state and federal funds available for the promotion of library service in the state.

In connection with this appropriation the department shall submit to the United States commissioner of education a plan for the extension of public library service and the construction of public library facilities pursuant to the Library Services Act, Public Law No. 597, 84th Congress, 2nd Session (June 19, 1956), as amended, and shall adopt rules and regulations for the administration of the plan. Provided that no state funds shall be used for construction of library facilities.

Subd. 8. Experimental Laboratory Program	100,000	95,000
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The above appropriation includes funds for salaries and expenses and includes, not exceeding, a one-half time director for each new curriculum project, a full time administrator for the laboratory, a full time test construction expert, a three-quarter time statistician, and such secretaries as may be needed.

This personnel and the appropriation is for the continuation of the expanded experimental laboratory program in mathematics and other areas of elementary and secondary school curriculums to the greatest extent possible.

The laboratory program, known as the Minnesota National Laboratory, may be conducted in cooperation with educational agencies of the several states and the federal government, so that the programs may be applied to schools both within and without the state.

The authorized personnel may be engaged on a contract basis or may be employed from registers in in the classified civil service.

The department may accept gifts from public or private sources to finance the Minnesota National Laboratory in whole or in part. Moneys so accepted are appropriated to the department for the purposes for which received.

The program for which this appropriation is made is *deemed by the legislature to be experimental and*

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

not to be renewed in succeeding years unless justified by developments in this biennium.

None of the moneys appropriated by this subdivision are available however, until the position of director is filled and the appointee thereto has been approved by the Minnesota liaison and facilities commission for higher education.

The balance remaining on June 30, 1966, shall not cancel but be available for the following year.

Subd. 9. Manpower Development and Training 5,500

Provided that the amounts appropriated in sec. 2, except subd. 7 and subd. 9, shall be paid from the income tax school fund.

Sec. 3. STATE COLLEGE BOARD:

Subdivision 1. Maintenance and Equipment 11,885,208 13,494,445

The above appropriation is for maintenance and equipment, including summer session and library, of the state college board and Bemidji State College, Mankato State College, Moorhead State College, St. Cloud State College, Southwest State College, and Winona State College. The above appropriations include \$12,500 each year for out-of-state travel by state college faculty members.

Subd. 2. Repairs and Betterments 85,000 85,000

The above appropriation is for repairs and betterments of the state colleges located at Bemidji, Mankato, Moorhead, St. Cloud, Winona, and the Southwest State College at Marshall.

Subd. 3. Special Education Demonstration and Training Program—St. Cloud 32,500 32,500

Subd. 4. Teachers Training Program in Special Education for Handicapped Children—Mankato State College 32,500 32,500

Subd. 5. Teachers Training Program in Special Education for Handicapped Children—Moorhead State College 32,500 32,500

Subd. 6. Nurses Training Program—Winona State College 30,000 30,000

Subd. 7. Contingent Fund for Enrollment Increases 200,000

Provided, the balance remaining on June 30, 1966, shall not cancel but be available for the following year.

In event the enrollment of full-time equivalent students enrolled in on and off campus courses at

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any college during the regular school years exceeds the biennial budget estimates submitted to the 1965 legislature, the state college board may make application to the governor who, after consultation with the legislative advisory committee as provided by Minnesota Statutes, Section 3.30, may grant a deficiency appropriation to provide additional teaching positions at a ratio of one unclassified teaching position to each 20 additional full-time equivalent students in excess of the biennial budget enrollment estimates. For the purposes of this computation, 15 credit hours per quarter is considered a full-time student.

Graduate teaching assistants beyond the number provided for in this appropriation may be paid from salary savings resulting from vacant academic staff positions.

The state college board is directed to make a study of the organizational structure of the state colleges. The study shall include an evaluation of the administrative organization of all phases of college responsibilities. From this study the board shall develop a uniform organizational structure, to the extent possible, to be implemented at each college which shall include a functional description of each department, division, section, unit and any other segment of organization identified therein. Teaching and non-teaching positions in the unclassified civil service shall be identified and an analysis shall be made of such non-teaching assignments. Non-teaching assignments that are comparable in function and responsibility to classifications in the classified civil service shall be filled by employees in the classified civil service and their salaries shall be adjusted accordingly. Such changes as are adopted by the state college board shall be incorporated in the next biennial budget, and a report shall be submitted to the 1967 legislature.

All receipts of every kind, nature and description, including student's tuition and fees, all federal receipts, aids, contributions and reimbursements in all the state colleges, except those receipts attributable to the dormitory functions which shall be handled pursuant to authority under M.S., Sections 136.31 to 136.38 are hereby reappropriated to the state college board, but are subject to budgetary control to be exercised by the commissioner of administration.

Further exempt are those receipts attributable to the college activity funds and which are not subject to budgetary control as exercised by the commissioner of administration. Also further exempt are those receipts attributable to grants for special projects, institutes, and similar activities related to educational endeavors and which shall be handled pursuant to

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authority under M.S., Sections 136.143 and 136.144 and which are not subject to budgetary control as exercised by the commissioner of administration. A biennial report shall be submitted to the 1967 legislature concerning the use of such funds.

The appropriations to the state college board are conditioned upon compliance with the following:

The state college board shall charge tuition of students attending any state college at not less than the following schedule:

On Campus Tuition Rates:

Regular School Year—Resident	\$5.00 per credit hour
Regular School Year and Summer Session—Non-resident	8.00 per credit hour
Summer Session—Resident	6.50 per credit hour
Regular School Year and Summer Session—Graduate—Resident	7.00 per credit hour
Regular School Year and Summer Session—Graduate Non-resident	10.00 per credit hour

Off Campus Tuition Rates:

All Students—Resident or Non-resident	10.00 per credit hour
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Minnesota Statutes, Section 136.11, is superceded to the extent it is inconsistent with the foregoing schedule, but nothing herein contained shall be construed to prevent the state college board from increasing the maximum tuition of students attending any of the above state colleges if deemed advisable, over the amount provided for tuition in the foregoing schedule.

The state college board may waive tuition on certain institutes, courses or projects when the sponsor pays all costs.

Placement Service Registration Fee \$6.00

Provided that the above fee shall be charged to each student or graduate upon registration with the college placement service.

Subd. 8. National Defense Student Loan Program	174,738	206,918
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Provided that any balance remaining on June 30, 1966, shall not cancel but be available for the following year. No portion of the appropriation shall be used to defray obligations incurred prior to July 1, 1965.

Subd. 9. Contingent Fund for Southwest State College	25,000
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Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

Provided that the balance remaining on June 30, 1966, shall not cancel but be available for the following year. The above appropriation to be expended by the governor after consultation with the legislative advisory committee as provided by Minnesota Statutes 3.30.

Sec. 4. STATE UNIVERSITY, UNIVERSITY FARM SCHOOL, EXPERIMENT SCHOOL AND STATIONS, AND BRANCHES:

Subd. 1. For Maintenance and Improvements . . 38,500,000 42,800,000

Provided, that of the above appropriation \$1,521,664 the first year and \$1,761,954 the second year is available for salary adjustments for promotion and special merit increases for the faculty.

The board of regents of the university may use any money not specifically appropriated for other purposes for acquiring land by purchase or condemnation. In case it is desired to use the fund for the acquisition of land, the power of eminent domain may be exercised in accordance with Minnesota Statutes, chapter 117.

The university of Minnesota may establish and conduct a school for the instruction of persons in law enforcement and the governing body of any political subdivision of this state may authorize the attendance upon such school of any law enforcement officer under its jurisdiction and may provide for the payment of the expenses of such person while in attendance at such school from the general funds of such political subdivision. To each person satisfactorily completing the prescribed course of instruction in the school as established shall be issued a certificate of graduation or diploma stating that the holder has graduated therefrom.

Provided, that out of the appropriation herein provided there shall be furnished without cost to the state department of health, maintenance and custodial care for the state board of health psychology building on the main campus of the university.

Provided, that of the amounts appropriated above, \$31,196 for the year ending June 30, 1966 and \$31,312 for the year ending June 30, 1967, is for ore estimates to be furnished by the school of mines at the university of Minnesota for the department of taxation.

Provided, that of the amount appropriated above \$10,000 each year shall be used for the rural nursing coordinator program.

Provided, that these appropriations for maintenance

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and improvements are made from revenues accruing to the university from:

- (1) the investments of the permanent university fund; and
- (2) the occupation tax on iron ore.

If such revenues are insufficient, the remainder of such appropriations are advanced and appropriated from any moneys in the state treasury credited to the general revenue fund. The income derived from the investment of the permanent university fund is hereby appropriated to the board of regents pursuant to Laws 1963, c. 567, sec. 2.

The state auditor shall cause these appropriations to be paid to the university monthly on the first day of each month of each fiscal year beginning July 1, 1965. For the purposes of these appropriations it is estimated that the income to be derived from investment of the permanent university fund will not exceed \$1,505,846 for the first year and \$1,525,846 for the second year. If at the end of any fiscal year there are unexpended revenues accruing to the university from the occupation tax on iron ore, the general revenue fund shall be reimbursed therefrom to the extent that payments have been made from the general revenue fund during such fiscal year pursuant to these appropriations. The board of regents shall certify to the state auditor at the end of each quarter the amounts of earnings derived from the investment of the permanent university fund and if the income derived from the investment of the permanent university fund during any fiscal year exceeds the amounts herein stated, the amounts payable from the general revenue fund shall be reduced accordingly.

For budgetary purposes it is estimated that the foregoing appropriation from the general revenue fund will not exceed the sum of \$35,898,454 the first year and \$40,274,554 the second year.

On October 1, 1966 and 1967 the president of the university of Minnesota shall furnish the commissioner of administration the following information:

- (1) the total amount of receipts during the fiscal year 1966 from all sources in excess of \$20,518,592 and during the fiscal year 1967 from all sources in excess of \$21,636,734.
- (2) the sources of said receipts, and
- (3) the purposes for which any excess receipts were expended and accounts to which transferred.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

Subd. 2. For the Support of the State University—Morris Collegiate Program	600,000	640,000
Subd. 3. For the Support of an Agricultural and Technical Institute—Crookston	60,000	150,000
Subd. 4. National Defense Student Loan Program	121,888	121,888
<p>Sec. 5. FOR CARE OF INDIGENT COUNTY PATIENTS TO BE RENDERED BY THE UNIVERSITY OF MINNESOTA HOSPITALS, INCLUDING THE HEART HOSPITAL, UNDER LAWS 1921, CHAPTER 411, SECTION 7, AS AMENDED.</p>		
Subd. 1. For State's Share of Expenses of County Indigent Patients	2,330,000	2,523,374
<p>Subd. 1 shall include and cover the amounts which may become due to the university of Minnesota from the state during the fiscal years covered by said subdivision under the provisions of General Laws 1921, Chapter 411, as amended by General Laws 1927, Chapter 431.</p>		
<p>There is further appropriated to the university of Minnesota the following sums, or so much thereof as may be necessary, for the purpose of reimbursing the said university for the sum due from counties during said fiscal years under the provisions of said acts payments to be made quarterly out of said appropriation, as shown by certificates filed with the state auditor pursuant to the provisions of said act</p>		
	2,330,000	2,523,374
<p>The state auditor is authorized and directed to pay the university out of sums collected from counties under the provisions of Laws 1927, Chapter 431, during the fiscal years ending June 30, 1966 and June 30, 1967, respectively, an amount sufficient to reimburse said university in full for the amount due it from counties during said fiscal years, as shown by certificates filed with the state auditor, and a sum sufficient to make such payments is hereby appropriated.</p>		
Sec. 6. FOR THE PSYCHOPATHIC DEPARTMENT OF UNIVERSITY OF MINNESOTA HOSPITALS	831,228	854,920
Sec. 7. FOR THE CHILD PSYCHIATRIC DEPARTMENT OF THE UNIVERSITY OF MINNESOTA HOSPITALS	318,170	328,591
Sec. 8. MULTIPLE SCLEROSIS AND OTHER SPECIAL NEUROLOGICAL PROBLEMS—UNIVERSITY OF MINNESOTA HOSPITALS	111,168	115,772
Sec. 9. REHABILITATION CENTER—UNIVERSITY OF MINNESOTA HOSPITALS	810,000	860,000

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

Fees for service furnished to counties and individuals under this item shall be sought to augment the sum hereby appropriated, which said fees are hereby reappropriated to said university hospital.

Sec. 10. FOR VARIOUS EXPERIMENTS AND INVESTIGATIONS TO BE CARRIED ON UNDER THE DIRECT SUPERVISION OF THE UNIVERSITY OF MINNESOTA:

Provided that the board of regents shall submit a written report to the 1967 legislature of the results and status of all research work conducted from all appropriations made in this section.

Subd. 1. Business and Natural Resources:

- a. (1) For general experiments in the beneficiation of manganiferous and low grade ores, and for experiments in the direct process beneficiation of low grade ores 80,000 80,000
- (2) For experiments in the beneficiation of manganiferous and low grade ores and for experiments in the direct process beneficiation of low grade ores with special emphasis on ores of the Cuyuna Range. 100,000 100,000

The amounts in items a (1) and a (2) will be available upon condition that the scope and nature of the experiment are defined by the agreement of the commissioner of iron range resources and rehabilitation commission and the regents of the university (the commissioner being now directed to enter negotiations to the end of such determination) and that progress in this research will be reported to said commission and to the legislature as requested.

The amounts appropriated by item a (1) are to be paid from the iron range resources and rehabilitation fund and said appropriations are made a charge against said fund.

- b. Business and Economic Research 35,000 35,000

The regents of the university of Minnesota are urged to solicit industry to contribute an amount equal to the above appropriation.

- c. Industrial Relations Education Program 47,427 49,999

Subd. 2. Medical and Sociological:

- a. For Medical and Cancer Research 100,000 120,000
- b. For Institute of Child Development 50,000 55,000

Provided, that from the amounts appropriated research shall be conducted in problems relating to children and school curricula.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

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|---|--------|--------|
| c. Training Program for the Control and Prevention of Crime and Delinquency | 19,500 | 19,500 |
|---|--------|--------|

The university shall assign as a director of this training program a person with police training and training within the fields of police administration and administration of the criminal law. He shall develop a police academy as a step toward professionalizing police service in Minnesota and elsewhere and shall cooperate with Minnesota police and sheriffs and the bureau of criminal apprehension in carrying out his duties. The president of the university shall appoint an advisory committee, the members of which shall serve without compensation but be reimbursed for necessary expenses and who shall assist the director in setting standards, and curriculum for police training.

The director shall also expand institutes for juvenile judges, juvenile police officers, and workshops for teachers and principals and others dealing with problems of juveniles in the police field.

The director shall arrange with the assistance of the university to obtain such federal assistance of funds and programs relating to the control of crime and delinquency and the causes thereof.

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|-------------------------------|--------|---------|
| d. Psychiatric Research | 98,500 | 116,000 |
|-------------------------------|--------|---------|

- | | | |
|---------------------------------------|--------|--------|
| e. Training of Laboratory Aides | 14,000 | 13,000 |
|---------------------------------------|--------|--------|

Subd. 3. Miscellaneous Research:

- | | | |
|---------------------------|---------|---------|
| a. General Research | 130,000 | 130,000 |
|---------------------------|---------|---------|

- | | | |
|--|--------|--------|
| b. Minnesota Institute of Research | 37,000 | 40,000 |
|--|--------|--------|

- | | | |
|---|--------|--------|
| c. Special Education, Training and Research Program | 50,000 | 52,973 |
|---|--------|--------|

Subd. 4. Agricultural Research and Extension:

- | | | |
|--|--------|--------|
| a. Tuition and transportation aid for students of state agricultural schools as provided by Minnesota Statutes, Section 124.23 | 40,000 | 40,000 |
|--|--------|--------|

The moneys appropriated by subd. 4a are hereby appropriated from the income tax school fund.

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|--|--------|--------|
| b. Veterinary Diagnostic Laboratory (formerly designated as Livestock Sanitary Board Laboratory) | 88,960 | 92,607 |
|--|--------|--------|

The appropriations herein made provide for the operation of the veterinary diagnostic laboratory.

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|--------------------------------------|--------|--|
| c. To Livestock Sanitary Board | 44,000 | |
|--------------------------------------|--------|--|

Provided that the balance remaining on June 30, 1966, shall not cancel but be available for the following year.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

The appropriation herein made is to operate field laboratories for the testing of poultry, including turkeys, for pullorum and other diseases.

The board may contract with the regents of the university of Minnesota for the operation of the field laboratories upon mutually agreeable terms.

No fees shall be collected for field laboratory tests.

d. Agricultural Research:

Rosemount 150,000 155,000

e. General Agricultural Research 800,000 820,000

Provided that from this appropriation the board of regents shall conduct, in addition to present research, forestry research including legume and grass seed research, disease and insect research, new product research, forest management research under the direction of the Cloquet forest research center, hardwood timber species research and research relating to oats and wild rice.

The regents of the university are urged to solicit industries interested in breeding and testing farm crops, dairy manufacturing, mastitis control, brucellosis research, honey bee research, turkey disease research, swine disease research, and research in artificial insemination of cattle, to contribute an amount equal to the amount of the above appropriation spent upon any one of the research items in this paragraph described.

f. Soybean Research 75,000 80,000

The foregoing appropriation shall be used for the purpose of soybean research of varieties adaptable to the various growing conditions in Minnesota, including a high protein, hard shell and low oil content bean, and an early maturing variety.

g. General Agricultural Extension 950,000 1,050,000

Item g includes the items of agricultural extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted to personnel provided for by this section by the university shall not result in a reduction of the county portion of the salary payments.

h. Maintenance of the Southwest Agricultural Experiment Station 48,479 49,666

i. Geological Survey 60,000 60,000

j. Beneficiation of Industrial Minerals and Non-ferrous Deposits 50,000 50,000

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

k. Potato Processing Research Laboratory	20,500	21,000
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The money herein appropriated is to be expended for the same purpose for which funds were appropriated by Laws 1963, Chapter 837, Section 10, Subdivision 4, Item 1.

From the appropriation made to the university of Minnesota by this act and from other sources all non-academic employees shall be paid a salary comparable to the salaries paid to state employees in the classified state civil service.

Sec. 11. MINNESOTA BOARD OF NURSING:

Subd. 1. For Nursing Scholarships	100,000	100,000
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Sec. 12. Subdivision 1. AIDS TO SCHOOLS	175,988,000	184,660,000
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Should the appropriation for either year of the biennium be insufficient to pay all special state aids provided in this subdivision, then the appropriation for the other year of such biennium is available therefor.

This appropriation may be used to pay aids authorized by Laws 1963, Chapter 837, Section 12, for the fiscal year beginning July 1, 1964, but no payments thereof shall be made until July 1, 1965.

Subd. 2. Except for foundation program aid, the appropriations for other aids in section 12 for the fiscal years 1966 and 1967 shall be distributed as provided by law. Notwithstanding the provisions of the education code, the provisions of the laws relating to income and excise taxes and the disposition thereof, or any other law to the contrary, the appropriations in section 12 for the fiscal years 1966 and 1967 for foundation program aid shall be distributed pursuant to the following:

(1) Foundation program aid shall be special state aid for schools as computed under the terms of this section.

(2) The maximum amount of foundation program aid, including the amounts payable as apportionment of the school endowment fund and Minnesota Statutes, Section 290.62, which a district or unorganized territory may receive shall equal (a) or (b) as calculated under the provisions of this subdivision, whichever is greater, less the maximum foundation program aid payable to the county for resident pupils of the district, computed under the provisions of this subdivision:

(a) For the school year ending June 30, 1966, aid shall be paid to a district on the basis of its actual total debt redemption

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

and maintenance cost per pupil unit in average daily attendance or \$321, whichever is the lesser, for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance less 19 mills times the current adjusted assessed valuation of the district or unorganized territory; for the school year ending June 30, 1967 aid shall be paid to a district on the basis of its actual total debt redemption and maintenance cost per pupil unit in average daily attendance or \$324, whichever is the lesser, for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance less 19 mills times the current adjusted assessed valuation of the district or unorganized territory; provided, that for the purpose of this subdivision the current adjusted assessed valuation in any district or unorganized territory which receives refunds under the gross earnings aid law or airport construction aid law shall include the taxable valuation of exempt property used in computing the amount of such refund. The amount payable under (a) shall be reduced whenever the quotient hereinafter referred to as the local effort, obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, group insurance, where identified as such, and any moneys received by the district by virtue of any laws pertaining to taconite and semi-taconite, on the taxable property of the district on or before January 10, of the current school year by the current adjusted assessed valuation used in computing the district's aid exclusive of the valuation applied in determining refunds under Minnesota Statutes, Section 124.28 equals less than 19 mills. The adjustment shall be made by deducting from the foundation aid due under (a) the amount obtained by multiplying the current adjusted assessed valuation of the district by the number of mills the local effort as calculated in accordance with this subdivision is less than 19 mills.

(b) The amount payable under Minnesota Statutes, Section 290.62, plus \$97 for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance for the school year ending June 30, 1966 and \$98 for the school year ending June 30, 1967, which amounts per pupil unit in average daily attendance shall include the amount payable as apportionment of the school endowment fund. The amount payable under (b) for the school year ending June 30, 1966 shall be reduced whenever a district's total debt redemption and maintenance cost as defined in paragraph 5 in subdivision 2 of this section is less than \$321 per pupil unit in average daily attendance. The amount payable under (b) for the school year ending June 30, 1967 shall be reduced whenever a district's total debt redemption and maintenance cost as defined in paragraph 5 in subdivision 2 of this section is less

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than \$324 per pupil unit in average daily attendance. The adjustment for the school year ending June 30, 1966, shall be made by deducting from the amount due under (b) the number of the district's resident pupil units in average daily attendance times the difference between \$321 and the district's total debt redemption and maintenance cost per pupil unit in average daily attendance. The adjustment for the school year ending June 30, 1967 shall be made by deducting from the amount due under (b) the number of the district's resident pupil units in average daily attendance times the difference between \$324 and the district's total debt redemption and maintenance cost per pupil unit in average daily attendance.

The amount payable under (b) shall be further reduced whenever the quotient hereinafter referred to as the local effort obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, group insurance, where identified as such, and any moneys received by the district by virtue of any laws pertaining to taconite and semi-taconite, on the taxable property of the district on or before January 10 of the current school year by the current adjusted assessed valuation equals less than 19 mills. The adjustment shall be made by deducting from the foundation aid due under (b) the amount obtained by multiplying the current adjusted assessed valuation of the district by the number of mills the local effort as calculated in accordance with this subdivision is less than 19 mills; provided, however, that for the purpose of this paragraph the amount payable under (b) shall not be reduced below the amount payable under Minnesota Statutes, Section 290.62, plus \$90 for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance. In order to meet the conditions of clauses (a) and (b) of this subdivision and of the next preceding paragraph and to avoid the reduction of the school aids therein provided for, any governing body which is limited by local charter or by any provision of law, general or special, from levying 19 mills as required to meet the conditions of said clauses (a) and (b) and the next preceding paragraph, may levy, notwithstanding the provisions of such charter or law to the contrary, such additional number of mills as will enable it to meet such conditions.

(3) The maximum amount of foundation program aid which a county may receive as partial reimbursement for tuition paid shall be the total of the amounts of maximum foundation program aid earned by the attendance in classified secondary or area vocational-technical schools of pupils residing in districts of the county which do not maintain classified secondary schools. For each such district in which paragraph 2(a) in subdivision 2 of this section

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determines the maximum foundation program aid due, the maximum foundation program aid paid to the county shall be that amount which bears the same ratio to the maximum foundation program aid to which the district is entitled under paragraph 2(a) as the total number of secondary and area vocational-technical school pupil units of the district bears to the total number of elementary, secondary, and area vocational-technical school pupil units of the district. For each such district in which (b) in subdivision 2 determines the amount of maximum foundation program aid due, the maximum foundation program aid paid to the county shall be \$97 times the total number of secondary and area vocational-technical school pupil units of the district for the school year ending June 30, 1966 and \$98 for the school year ending June 30, 1967, which amounts per pupil unit shall include the amount payable as apportionment of the school endowment fund, except that whenever a district's total debt redemption and maintenance cost as defined in paragraph 5 of subdivision 2 in the school year ending June 30, 1965 is less than \$321 per pupil unit in average daily attendance or in the school year ending June 30, 1966 is less than \$324 per pupil unit in average daily attendance, the aid for the school year ending June 30, 1966 or for the school year ending June 30, 1967, respectively, shall be reduced as provided under (b) in subdivision 2.

The amount payable under this subdivision shall be further reduced whenever the quotient obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, group insurance, where identified as such, and any moneys received by the district by virtue of any laws pertaining to taconite and semi-taconite, on the taxable property of the district on or before January 10 of the current school year by the current adjusted assessed valuation equals less than 19 mills. The adjustment shall be made as provided under (b) in subdivision 2.

(4) Current adjusted assessed valuation for the purpose of this act means the adjusted assessed valuation as determined by the equalization aid review committee under the provisions of this section; provided that for the 1965-66 school year it shall mean the correct assessed valuation approved by the equalization aid review committee and filed with the commissioner of education in the calendar year 1963 and annually thereafter.

(5) Actual total debt redemption and maintenance cost per pupil unit in average daily attendance for the purpose of this section shall mean the sum of the cost per pupil unit in average daily attendance for payments on principal and interest of bonded debt

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and maintenance exclusive of transportation, expenditures for junior colleges, veterans training program, community services, and receipts from the sale of other items sold to the individual pupil by the school such as lunches, paper, workbooks, and other materials used in the instructional program, and receipts from quasi-school activities when the school board has assumed direction and control of same; provided, that for the 1965-1966 school year it shall mean the 1964-1965 total debt redemption and maintenance cost per pupil unit in average daily attendance as indicated in this paragraph and for years to follow it shall mean the total debt redemption and maintenance cost per pupil unit in average daily attendance in the previous year.

Subd. 3. The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, and the commissioner of taxation, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the correct full and true valuation of taxable property in such district, then said committee shall call upon the department of taxation to ascertain the correct full and true value of such property, and adjust such values as required by law to determine the correct assessed valuation. The department of taxation shall take such steps as it may consider necessary in the performance of that duty and may incur such expense as is necessary therefor. On July 1, annually, the department of taxation shall submit its report to said committee for approval or rejection and, if approved, such report shall be filed with the commissioner of education not later than the following January 1, and shall replace, for the school year following the next January 1, the valuation figure provided by any county auditor for the calculation of foundation aid and gross earnings aid. A copy of this report shall be forthwith mailed by certified mail to the clerk of each district involved and to the county auditor and the county assessor or supervisor of assessments of the county or counties in which such district is located.

Subd. 4. In any district in which the correct assessed valuation, exclusive of property added since the prior assessment, has increased more than 15 percent over the correct assessed valuation determined on the basis of the prior assessment, the equalization aid review committee shall review and redetermine the correct assessed value for the year 1960 and subsequent years when an application for such review is made by the district within 12 months after receipt of a copy of the report filed with the commissioner of education with respect to such prior year.

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Subd. 5. Should any district, within 60 days after receipt of a copy of a report filed with the commissioner of education made pursuant to subdivision 3, or notice of redetermination made pursuant to subdivision 4, be of the opinion that the equalization aid review committee has made an error in the determination of the school district's correct full and true valuation, it may appeal from the report or portion thereof relating to the school district to the board of tax appeals, as provided in subdivisions 6 to 11.

Subd. 6. The school district shall file with the clerk of the board of tax appeals a notice of appeal from the determination of the equalization aid review committee fixing the correct full and true valuation of the school district, and such notice shall show the basis of the alleged error. A copy of such notice of appeal shall be served upon the commissioners of taxation and education, and proof of service shall be filed with the clerk of the board.

Subd. 7. Upon receipt of the notice of appeal the board of tax appeals shall review the notice of appeal and determine whether it appears from the allegations and proofs therein contained that an error has been made in the determination by the equalization aid review committee of the correct full and true valuation of the property in the school district. If the board finds it probable that such an error has been made, it shall notice the matter for hearing; otherwise, it shall dismiss the appeal and notify the parties thereof. Hearing shall be set and held in the same manner as other hearings of the board of tax appeals are set and heard. The attorney general shall represent the commissioners of taxation and education and equalization aid review committee; the administrative procedure act, Minnesota Statutes, Section 15.0415 to 15.0422, shall apply to hearings insofar as it is applicable.

Subd. 8. The board of tax appeals shall hear, consider and determine such appeal, de novo upon the issues made by the notice of appeal, if a hearing has been granted thereon. At the conclusion of the hearing the board shall (1) file findings of fact, or (2) re-refer the issues to the equalization aid review committee with instructions and recommendations for a determination and correction of the full and true valuation of the appealing school district. The decision of the board of tax appeals, if it decides the matter de novo, shall have the same force and effect as a determination by the equalization aid review committee in the first instance under this section, and the equalization aid review committee shall be notified thereof. If the matter is re-referred to the equalization aid review committee a redetermination by the equalization aid review committee in accordance with the recommendations of the board of

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tax appeals shall likewise have the same force and effect as a determination by it in the first instance under this section.

Subd. 9. In addition to the powers and duties of the board of tax appeals as prescribed by Minnesota Statutes, Chapter 271, and any act amendatory thereof, any hearing ordered pursuant to the provisions hereunder may be heard by a hearing examiner in lieu of one or more members of the board of tax appeals. If a hearing is conducted by a hearing examiner, such hearing examiner shall exercise the same powers conferred by law upon one or more members of the board of tax appeals. He shall report to the board. The board is authorized to make findings of fact based on the report of the hearing examiner in the same manner as is required by these provisions when the hearing is conducted by the board. The board of tax appeals may employ hearing examiners upon such terms and conditions as it shall prescribe. A hearing examiner so appointed shall be in the unclassified service of the state.

Subd. 10. A decision of the board of tax appeals pursuant to the terms hereof shall be final and shall not be subject to review by any court, except upon certiorari to the supreme court.

Subd. 11. During the pendency of any appeal from an equalization aid review committee evaluation, state aids to the district so appealing shall be paid on the basis of the evaluation or determination by the equalization aid review committee subject to adjustment upon final determination of the appeal.

The amounts appropriated by sec. 12 are to be paid from the elementary and secondary schools' share of funds derived from the occupation tax on iron ore to the extent available and the remainder from the income tax school fund.

None of the provisions of Minnesota Statutes, Chapter 16, shall apply to the appropriation contained in this section.

	\$ 1966	\$ 1967
Sec. 13. MINNESOTA LIAISON AND FACILITIES COMMISSION FOR HIGHER EDUCATION . .	60,000	60,000
Sec. 14. SCHOOL AID—COUNTIES A/C NON-TAX AREAS		

Subdivision 1. There is hereby appropriated out of any moneys in the state treasury not otherwise appropriated the sum of \$19,000 payable July 1, 1965, and \$19,000 payable July 1, 1966, to each county now or hereafter having not less than 50 nor more than 55 whole or fractional congressional

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townships in which 45 percent or more of the area therein is within a federal or state forest area.

Subd. 2. There is further hereby appropriated out of any money in the state treasury not otherwise appropriated the sum of \$29,000 payable July 1, 1965, and \$29,000 payable July 1, 1966 to each county now or hereafter having not less than 60 or more than 65 whole or fractional congressional townships, and in which 85 percent or more of the area therein is within a federal or state forest area.

Subd. 3. The money appropriated in subd. 1 and subd. 2 shall be paid to the county treasurer by the state treasurer to be placed in such county funds as the county board may direct and the other half to be paid by the county treasurer to the various school districts of the respective counties as follows:

- (1) One-half thereof in the proportion that the federal or state lands within each district bear to the total area of federal and state lands within such county.
- (2) The other one-half in the proportion that the average school attendance within each district bears to the total average school attendance of such county for the year last preceding such payment.

Subd. 4. The money appropriated by this section is not to be deducted from other forms of state aid to such counties and the school districts therein, but is in addition thereto.

Sec. 15. FOR GROSS EARNINGS AID AS PROVIDED BY M.S., SEC. 124.28	1,500,000	1,600,000
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Sec. 16. EXEMPT LAND SPECIAL SCHOOL AID, PURSUANT TO M.S., SEC. 124.30	375,000	375,000
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Provided that none of the moneys appropriated by this section shall be used for payment of aids to common school districts.

Sec. 17. FOR AID TO CERTAIN SCHOOL DISTRICTS AS PROVIDED BY MINNESOTA STATUTES, SECTION 360.133	120,000	120,000
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The amounts appropriated by sections 15, 16, and 17 are to be paid from the income tax school fund.

Sec. 18. STATE JUNIOR COLLEGE BOARD

Subdivision 1. Maintenance and Equipment	2,939,812	4,087,647
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The above appropriation is for maintenance and equipment of the state junior college board and the state junior colleges.

All receipts of every kind, nature and description, in-

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cluding student tuition and fees, all federal receipts, aids, contributions and reimbursements in all the state junior colleges are hereby reappropriated to the state junior college board, but are subject to budgetary control to be exercised by the commissioner of administration.

The appropriations to the state junior college board are conditioned upon compliance with the same student tuition rates as otherwise enumerated for the state college board in this act.

The state junior college board is authorized to establish activity funds, except for dormitory purposes, and imprest cash funds, to waive tuition charges and to act as agent and accept the benefits of public law 88-452, known as the economic opportunity act of 1964, to the same extent and subject to the same conditions as such authority is vested in the state college board.

Subd. 2. National Defense Student Loan Program 33,050 49,125

Provided that the balance remaining on June 30, 1966, shall not cancel but be available for the following year.

Subd. 3. Contingent Fund 250,000

To supplement the appropriation made by subdivision 1.

Provided the balance remaining on June 30, 1966, shall not cancel but be available for the following year. The above appropriation to be expended by the governor after consultation with the legislative advisory committee as provided by Minnesota Statutes, Section 3.30.

Sec. 19. EMPLOYEES COM- 1965
PENSATION \$8,664.56

To be transferred by the state auditor to the department of labor and industry compensation revolving fund, in payment of obligations incurred by the following agencies in the amounts as indicated:

Department of Education 384.06
Bemidji State College 2,495.82
Mankato State College 2,821.39
Moorhead State College 1,115.51
St. Cloud State College 1,719.51
Winona State College 128.27

Provided that of the amount appropriated by section 19, \$384.06 shall be paid from the income tax school fund.

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Sec. 20. UNEMPLOYMENT 1965
 COMPENSATION\$7,623.81

In reimbursement of unemployment compensation benefits paid for former employees of the state college board.

Sec. 21. **Unobligated balances on hand, cancelled into general revenue fund.** Except the revolving loan fund for maintenance of crippled children, and other disabled persons receiving vocational training, and the revolving fund for the on the job training program, the unobligated balances on hand as of June 30, 1965, June 30, 1966, and June 30, 1967, in the several appropriations and accounts for which an appropriation is made herein, unless otherwise excepted in this act, are hereby cancelled into the general revenue fund for the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and the unobligated balances on hand as of June 30, 1965, June 30, 1966, and June 30, 1967, appropriated out of any other funds, shall be cancelled into the fund from which they are appropriated as of June 30, 1965, June 30, 1966, and June 30, 1967.

Sec. 22. **Income, fees, receipts, deposited in general revenue fund.** Except as herein otherwise specifically provided, except the income to the university of Minnesota and the income to the account of disabled persons receiving vocational training, and except all federal aid, contributions or reimbursements received for any account of any division, institution or department for which an appropriation is made in this act, all income, including fees or receipts of any nature whatsoever, shall be deposited in and for the benefit of the general revenue fund.

Sec. 23. **State college board salary schedule.** The appropriation items in this act relating to maintenance and equipment to the state college board insofar as the same includes appropriations for salaries shall be expended in accordance with the following conditions:

The following minimum and maximum salary ranges are established for the unclassified positions employed on a nine-month basis in all state colleges:

Group	I	II	III	IV	V
Minimum	8,000	7,000	6,000	5,000	4,500
Maximum	14,000	12,500	10,750	9,500	7,000

Groups I and V, inclusive, referred to above, mean the groups of unclassified positions as established by state college board rules and regulations.

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In each fiscal year there is provided for increases for unclassified employees an amount calculated at 5% of salaries for all unclassified employees below the maximum of their group and range. None of the monies available for salary increases shall be expended until increases are first granted to those employees in the unclassified service who did not receive a minimum increase of 5% for each year of the biennium beginning July 1, 1963. The balance of such money available for salary increases shall only be expended as determined and directed by the state college board, but any salary adjustment shall be in accordance with standards and criteria which such board shall establish governing the manner and adjustment of salary increases. Such standards and criteria shall include but not be limited to:

- (1) Length of service and tenure.
- (2) Degrees and scholastic attainment.
- (3) Teaching ability and classroom teaching schedules.
- (4) Involvement in special research projects and programs.

Provided that no unclassified employee's salary, except the salary of a college president and the salary of the executive director of the state college board, shall exceed \$15,500 per year. The salaries of the state college presidents and the executive director of the state college board shall be set by the state college board in an amount of not to exceed \$18,000 per year.

The salary of each unclassified employee, except one who is employed on a twelve month basis, who is employed during a summer session of a state college, shall be fixed on the basis of one-sixth of the nine month salary, provided that no such employee shall receive more than \$1,400 for a summer session.

Sec. 24. State junior college board salary schedule. The appropriation items in this act relating to maintenance and equipment to the state junior college board insofar as the same includes appropriations for salaries shall be expended in accordance with such salary schedule as may be adopted by the board. In each fiscal year there is provided for salary adjustments for unclassified employees an amount calculated at 5% of salaries, provided however that individual salary adjustments shall only be granted within the limits of the steps and ranges of the salary schedule adopted by the board. The annual salary of the executive director of the state junior college board shall be set by the board in an amount of not to exceed \$18,000.

Sec. 25. Pay of state officers and employees. Notwith-

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standing any provisions of Minnesota Statutes, Chapter 43, to the contrary, moneys appropriated by this act or any other appropriation law for salaries shall be expended only in conformity with the provisions of this section.

(a) None of the moneys appropriated by this act or any other law shall be expended during the biennium beginning July 1, 1965, for economic salary adjustments notwithstanding the provisions of law relating thereto to the contrary.

(b) Salary increases authorized by the proposed civil service pay plan on file in the office of the commissioner of administration shall be made effective on July 1, 1965.

(c) Merit increases and longevity increases shall not be granted during the fiscal year beginning July 1, 1965. Merit increases and longevity increases may be granted as provided by law during the fiscal year beginning July 1, 1966, to the extent that appropriations are available therefor. Merit increases granted pursuant to this section shall be on the basis of established standards.

(d) The provisions of Minnesota Statutes, Section 43.12, Subdivision 2, Clause (6) are applicable to the foregoing.

Sec. 26. Salary allotment limitations. Departments or agencies that are subject to the provisions of Minnesota Statutes, Section 16.16, and that operate in whole or in part with standing appropriations shall be subject to the provisions of this section. For the fiscal year beginning July 1, 1966, the commissioner of administration shall limit the annual and quarterly budget allotments for salaries as follows:

(a) In departments or agencies having from 51 to 100 employees and in the state colleges, 75 percent of the total moneys required for the payment of merit increases and longevity increases shall be allotted.

(b) In departments or agencies having 101 or more employees, 50 percent of the total moneys required for the payment of merit increases, longevity increases, and retirement contributions shall be allotted.

Sec. 27. None of the moneys appropriated by this act or any other appropriation law shall be expended in paying state officers or employees in the unclassified service for unused portions of annual leave allowances provided for by M.S., Section 351.12 for any greater period of time than is permitted state officers or employees in the classified service.

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Sec. 28. **Approved complement.** Whenever an appropriation to any department or agency for salaries discloses an approved complement, that department or agency is limited in the employment of the number of full time equivalent persons including part time and seasonal employees indicated by such approved complement.

Except as otherwise provided in this act, additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve such additional personnel until he has consulted with the legislative advisory committee created by Laws 1943, Chapter 594, and such committee has made its recommendation upon the matter. Such recommendation shall be advisory only. Failure or refusal of the committee to make a recommendation promptly shall be deemed a negative recommendation. The provisions hereof shall extend to any other agency to which the present authority of the legislative advisory committee may be transferred, but shall be deemed to be repealed in case such authority shall be abolished.

Sec. 29. **Income tax school fund deficiencies.** (a) For the purpose of supplying deficiencies in the income tax school fund, the treasurer may temporarily advance money to that fund from other public funds, not exceeding in the aggregate \$120,000,000 in any year; provided that no fund shall be so impaired thereby that all proper demands thereon cannot be met. The power hereby conferred upon the treasurer is in addition to any other similar authority conferred by law.

(b) Whenever it becomes necessary in order to meet the current demands upon the income tax school fund for the payment of warrants issued or to be issued against said fund pursuant to appropriations, and it appears that the deficiencies in such fund cannot be temporarily supplied under (a) hereof, the governor, after securing the recommendation of the legislative advisory committee, which shall be advisory only, or if there be no such committee, the governor, the state auditor, and the state treasurer, as a special committee, at any time prior to June 30, 1967, may authorize the issuance and sale of certificates of indebtedness of the state, pursuant to and in accordance with Article IX, Section 6, of the Constitution, in anticipation of the collection of taxes levied for the income tax school fund, and any other revenues appropriated to that fund for expenditure during the biennium beginning July 1, 1965, in such amount as may be necessary to pay such warrants. The certificates shall be executed by the state auditor and attested by the state treasurer under their official seals, and shall be numbered serially and shall be of such denomination and shall bear such dates of issue and maturity

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and such rates of interest as the auditor shall determine, provided that no such certificates shall mature later than June 30, 1967, and provided further, that the aggregate amount of such certificates at any time outstanding, plus the aggregate amount of advances made under (a) and not previously repaid, shall not exceed \$120,000,000 and shall not exceed the limitation stated in the Constitution, Article IX, Section 6, Subdivision 3. The failure or refusal of the advisory committee, if there be one, to make a recommendation promptly shall be deemed a negative recommendation. If moneys on hand in the income tax school fund are not sufficient to pay any such certificate at maturity, with interest thereon, the same may be refunded by the issuance of any certificates maturing not later than December 1, 1968. If moneys on hand in said fund are not sufficient to pay all certificates of indebtedness issued thereon and outstanding on December 1, 1967, the state auditor shall levy a tax for the payment of all such certificates and interest thereon, in accordance with the Constitution, Article IX, Section 6, Subdivision 3. Certificates issued and sold pursuant to this act shall be retired out of the receipts of the income tax school fund appropriated to the payment of warrants which are issued against said fund but are taken up with the proceeds of such certificates. Such sums as may be necessary are hereby appropriated from the income tax school fund and made available for the biennium beginning July 1, 1965, to pay the interest upon such certificates.

(c) The state board of investment, or its successor in authority, is hereby authorized to purchase the certificates of indebtedness herein authorized for any fund which it is authorized to invest, provided, it shall not purchase any such certificates bearing interest at a rate of less than one and one-half percent per annum.

Sec. 30. **Refunds.** No state moneys shall be expended in making any refund to any person where the amount thereof is \$1.00 or less except where the amount, received by the state, giving rise to the refund is \$1.00 or less. Such refunds may be made in conformity with requirements made therefor by the commissioner of administration. Such requirements shall be in lieu of the conditions prescribed by M.S., Section 6.136, Subdivision 1.

Sec. 31. [136.601] **Additional junior colleges; location of colleges.** Subdivision 1. In addition to the 15 state junior colleges established by Laws 1963, Chapter 837, Section 29, two additional state junior colleges are hereby established under the management, jurisdiction, and control of the state junior college board.

Subd. 2. Notwithstanding the provisions of Laws 1963, Chapter 837, Section 29, 12 of the state junior colleges shall be lo-

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cated at Rochester, Austin, Worthington, Willmar, Brainerd, Fergus Falls, Thief River Falls, International Falls, Ely, Virginia-Eveleth, Hibbing, and Itasca county; five of said state junior colleges shall be situated in the northwest Hennepin county area, northwest metropolitan Anoka-Ramsey county area, southwest metropolitan area, and two in the Ramsey-Dakota-Washington county area; and the state junior college board shall determine the sites for the location of such five state junior colleges.

[136.621] Subd. 3. **Management; study of new sites.** The state junior college board may combine the management of any two or more of the state junior colleges enumerated in this section if it believes its programs would be more effective by so doing.

Subd. 4. Notwithstanding the provisions of Laws 1963, Chapter 837, Section 29, the state junior college board, after consulting with the legislative building commission and obtaining its recommendations, which shall be advisory only, shall consider the advisability of more than one facility at each of the state junior college areas designated in subdivision 2. If it is determined by the board that a more effective program would be possible by erecting additional separated college buildings at more than one location within such five designated junior college areas, such separated facilities shall be operated under one state junior college administration.

Subd. 5. (1) The state junior college board shall study and recommend to the legislature the most feasible locations for additional state junior colleges; the study to include but not be limited to the following areas of the state: the Fairmont area; the Redwood Falls-Sleepy Eye-Springfield area; the Pine City-Mora area; the Hastings-Wabasha area; the Owatonna-Albert Lea area; and the Wadena-Park Rapids-Detroit Lakes area.

(2) The site study of the recommended areas shall be presented to the legislative building commission for their consideration and recommendations, after November 15, 1966.

[136.66] Subd. 6. **Acceptance of federal funds.** Any additional federal grants outside those now accepted by the authorized state agency or its successor made available to the state of Minnesota for the purpose of junior college construction during the interim period shall be used in compliance with the plans promulgated by the legislative building commission. The state junior college board is authorized to receive and designate the use of such funds if the utilization thereof should become necessary in the interim to prevent their cancellation, but before receiving and designating the use of such funds the board shall first consult the legislative building commission

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and obtain its recommendation in regard thereto, which recommendation shall be advisory only.

Sec. 32. **Minnesota liaison and facilities commission for higher education.** [136A.01] Subdivision 1. **Creation.** A liaison and facilities commission for higher education in the state of Minnesota, to be known as the Minnesota Liaison and Facilities Commission for Higher Education, is hereby created.

[136A.02] Subd. 2. **Membership; officers; compensation.** [Subdivision 1.] The liaison and facilities commission shall consist of 18 members comprised as follows:

(a) Eight citizen members to be appointed by the governor with the advice and consent of the senate, seven of whom shall be selected for their knowledge and interest in higher education and one of whom shall be selected for his knowledge and interest in vocational education. At the time of their appointment, each member shall be from a different congressional district;

(b) Two members, the presidents of two private colleges or private universities situated in the state of Minnesota to be appointed by the governor with the advice and consent of the senate;

(c) Four members, the chairman of the university of Minnesota board of regents, the president of the state college board, the president of the state junior college board, and the president of the state board of education;

(d) Four members, the president of the university of Minnesota, the executive director of the state college board, the executive director of the state junior college board, and the state commissioner of education.

Except as provided in subdivision 3, the members appointed by the governor shall be appointed for a four year term beginning on February 15 in the year in which the term begins. The governor shall in like manner fill vacancies for the unexpired terms of the members who are presidents of private colleges or private universities or citizen members. All members shall serve until their successors are appointed and have qualified.

Subd. 3. The members of the first liaison and facilities commission who are appointed by the governor with the advice and consent of the senate shall be appointed as follows: One president of a private college or private university shall be appointed for a term ending February 15, 1967, and the other for a term ending February 15, 1969; four of the citizen members appointed by the governor

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with the advice and consent of the senate shall be appointed for a term ending February 15, 1967, and the remaining four for a term ending February 15, 1969. The terms of the members of the first liaison and facilities commission shall begin on the effective date of this act.

Subd. 4. The liaison and facilities commission shall elect a president and a secretary and such other officers as it deems necessary. It shall fix its meeting dates and places. The commissioner of administration shall provide it with appropriate offices.

Subd. 5. Members of the liaison and facilities commission shall serve without compensation. They shall be reimbursed, however, for travel, subsistence, and other reasonable expenses incurred in the performance of their duties in the same manner and in the same amounts as other state officers and employees are reimbursed.

[136A.03] Subd. 6. **Executive officers; employees.** The liaison and facilities commission may appoint an executive secretary or director as its principal executive officer, and such other officers and employees as it may deem necessary to carry out its duties. The executive secretary or director shall possess such powers and perform such duties as are delegated to him and shall serve in the unclassified service of the state civil service and his salary shall not exceed \$18,500. He shall be a person qualified by training and ability in the field of higher education or in educational administration. All other employees shall be in the classified civil service.

[136A.04] Subd. 7. **Duties.** The liaison and facilities commission shall:

(a) Continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state in respect thereto;

(b) Continuously engage in long range planning of the needs of higher education and, if necessary, cooperatively engage in such planning with neighboring states and agencies of the federal government; and

(c) Act as successor to any committee or commission heretofore authorized to engage in exercising any of the powers and duties prescribed by this section.

[136A.05] Subd. 8. **Cooperation of institutions of higher education.** All institutions of higher education, public and private, and all state departments and agencies are requested to cooperate

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with the liaison and facilities commission in order to enable it to carry out and perform its duties.

[136A.06] Subd. 9. **Federal funds.** The liaison and facilities commission is designated the state agency to apply for, receive, accept, and disburse federal funds made available by the Higher Education Facilities Act of 1963, and any amendments thereof, as enacted by the Congress of the United States, for any purpose of furthering facilities for higher education in the state, both public and private. It may make application for federal funds and otherwise comply with any and all requirements of such federal law and such rules and regulations to enable it to receive and accept such funds. The expenditure of any such funds received shall be governed by the laws of the state, except insofar as federal regulations may otherwise provide. All such moneys received by the commission shall be deposited in the state treasury and are hereby appropriated to it annually for the purpose for which such funds are received.

[136A.07] Subd. 10. **Reports.** The liaison and facilities commission shall report to the governor concerning its activities from time to time and may report in connection therewith to the governing body of each institution of higher education in the state, both public and private. It shall file a formal report with the governor not later than October 15 of each even numbered year so that the information therein contained, including recommendations, may be embodied in the governor's budget message to the legislature. It shall also report to the legislature not later than January 15 of each odd numbered year.

Sec. 33. **Feasibility study of inter-campus television.** The legislature finds and declares that the people of Minnesota have a common interest in determining how television can be most effectively and efficiently used in meeting educational needs of the state. It is the purpose of this section to initiate a study encompassing but not limited to the following: (a) an evaluation of the educational needs emphasizing but not limited to the university, state colleges, and state junior colleges which might be effectively and efficiently served by the inter-institutional use of televised instructional materials; (b) an engineering survey of the facilities required to provide inter-institutional use of televised instructional materials; (c) an evaluation of the costs and other considerations affecting the relative merit of using different methods of transmitting televised instructional materials between institutions; (d) an inquiry into the coordination problems associated with inter-institutional use of televised instructional materials; (e) experimental testing of the feasibility of inter-institutional cooperation in the use of televised instructional materials; and (f) the preparation of a report summarizing the findings of the study and

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recommending to the state legislature the most appropriate program for developing the educational materials, facilities, and policies which will provide the most effective and efficient inter-institutional use of televised materials.

Subd. 2. The university of Minnesota is hereby appointed to conduct the study described in subd. 1 of this section and is authorized to contract for the services and facilities and to do all things necessary to carry out the purposes of this section.

Subd. 3. There is hereby appropriated to the university of Minnesota from any monies in the general revenue fund in the state treasury not otherwise appropriated the sum of \$150,000 for the biennium beginning July 1, 1965 and ending June 30, 1967 to carry out the purposes of this act.

Subd. 4. A report shall be made by the university of Minnesota to the legislature on or before December 1, 1966 concerning the effects upon educational productivity and quality of the educational television program herein provided.

Sec. 34. Any moneys made available to any state department or agency by this act by appropriation, transfer or otherwise for the payment of salaries is a source of revenue to such department or agency under the provisions of Minnesota Statutes 1961, Sections 269.50 and 352.04, Subdivision 5.

Sec. 35. **Repealer.** Minnesota Statutes 1961, Section 33.17, Subdivision 3 as amended by Laws 1963, Chapter 832, Section 4 is repealed.

Sec. 36. **[136.67] Supplemental retirement.** Subdivision 1. A supplemental retirement plan for personnel employed by the state college board and the state junior college board who are in the unclassified service of the state and who shall have permanent tenure or who shall be employed as an administrative officer, college president or dean is hereby established effective July 1, 1965, in accordance with the terms and conditions of this section.

Subd. 2. Beginning July 1, 1965, there shall be deducted from the salary of each person described in subdivision 1 a sum equal to five percent of the portion of such person's annual salary between \$6,000 and \$15,000. Such deduction is to be made in the same manner as other retirement deductions are made from the salary of such a person. The moneys so deducted, together with an equal sum as the state's share, shall be deposited to the credit of the supplementary retirement account, which account is established in the state treasury. All moneys in such supplementary retirement account shall be in-

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vested from time to time by the state board of investment in short term securities of the kind and type described in Minnesota Statutes, Section 11.10, or may be deposited in financial institutions whose funds are insured by an agency of the United States of America. All interest or profit accruing from said investments or deposits shall be credited to such account. The moneys in such account are annually appropriated to the state board of investment for the purposes of carrying out the investment authorization of this subdivision.

Subd. 3. If a person subject to the provisions of this section leaves the state service, on application therefor to the state college board there shall be refunded to him the total amount of his payroll deductions, without interest.

Subd. 4. After study and investigation the state college board and the state junior college board, not later than January 15, 1967, shall propose to the legislature a supplemental retirement system for carrying out and implementing the supplementary retirement plan established by this section. Notwithstanding any provisions of Minnesota Statutes, Chapter 16, or any other law, the state college board may contract with independent group pension consultants and others to assist in making the study and investigation authorized in this subdivision.

Subd. 5. Any supplemental retirement system enacted by the legislature pursuant to such proposal by the state college board shall be retroactive to July 1, 1965, and the retirement benefits instituted thereby shall be based upon allowable service beginning on such date, and all moneys in the supplementary retirement account in the state treasury shall be transferred to and become a part of such retirement system.

Subd. 6. The sum of \$180,000 for the fiscal year ending June 30, 1966 and the sum of \$205,000 for the fiscal year ending June 30, 1967 are hereby appropriated to the state college board and the state junior college board from the general revenue fund in the state treasury to be used as the state's share of money to match the payroll deductions herein provided for which sums shall be deposited in the supplementary retirement account in the state treasury.

Sec. 37. **Severability.** The provisions of this act are severable. If any provision or part of a provision is held to be invalid, it shall in no way affect the other provisions or any parts thereof in this act.

Approved May 26, 1965.

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