

(6) To suspend or revoke any license or certificate of registration of an aircraft, airman, licensee of commercial operations, or aeronautics instructor, issued by him, or to refuse to issue any such license or certificate of registration, when he shall reasonably determine that any aircraft is not airworthy or that any airman, licensee of commercial operations, or aeronautics instructor is not qualified has engaged in advertising by means of false or deceptive statements, has been found guilty of gross incompetency or gross negligence, has been found guilty of fraud, dishonesty, forgery, or theft, has wilfully violated the provisions of section 360.013 to 360.075, the rules and regulations prescribed pursuant thereto, or any other statute of this state relating to aeronautics, or any act of congress or any rule or regulation promulgated pursuant thereto, is addicted to the use of narcotics or other habit forming drug or to the excessive use of intoxicating liquor, has made any false statement in any application for registration of a federal license, certificate or permit, or has been guilty of other conduct, acts, or practices dangerous to the public safety and the safety of those engaged in aeronautics.

Approved May 24, 1967.

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CHAPTER 864—H F. No. 2032

[Coded]

*An act relating to the regulation and control of business affected with the public interest and to the organization, powers and duties of a department of public service concerned therewith, repealing Minnesota Statutes 1965, Sections 216.01 to 216.05, 216.11, 216.28 to 216.33, 216.65 and 216.67.*

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

Section 1. **[216A.01] Department of public service; establishment of department and branches.** There is hereby created and established the department of public service to consist of two branches, the public service commission and the administrative division.

Sec. 2. **[216A.02] Definitions.** Subdivision 1. **Legislative function.** The term "legislative function", as used in this act, shall include the establishment and promulgation of all rules, regulations, orders and directives of general or particular applicability, governing the conduct of the regulated persons or businesses,

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together with such *investigative procedures* as are incident thereto and all other valid acts and procedures which are historically or functionally legislative in character.

Subd. 2. **Administrative function.** The term "administrative function", as used in this act, shall include all duties and procedures concerning the execution and enforcement of the laws, rules, regulations, orders, directives, duties and obligations imposed for the control and government of the persons or businesses regulated, together with investigative activities incident thereto and procedures inherently administrative or executive in character.

Sec. 3. **[216A.03] Commission.** Subdivision 1. **Members.** As of the effective date of this act, the public service commission shall consist of the three (3) members elected to the Minnesota railroad and warehouse commission; and each shall serve out the term for which he was elected as railroad and warehouse commissioner and shall, in accordance with applicable statutes, be eligible for re-election for one six-year term. Thereafter the terms of all subsequent members of the commission shall be six (6) years and until their successors have been appointed and qualified. Each commissioner shall be appointed by the governor by and with the advice and consent of the senate. Not more than two commissioners shall belong to the same political party. The governor in his selection of commissioners shall give consideration to persons learned in the law or persons who have engaged in the profession of engineering, public accounting or property and utility valuation as well as being representative of the general public.

Subd. 2. **Vacancies.** Any vacancy on the commission shall be filled by the governor, by and with the advice and consent of the senate, for the unexpired portion of the term in which the vacancy occurs.

Subd. 3. **Chairman.** The commission shall elect one of their number chairman.

Subd. 4. **Oath.** Before entering upon the duties of his office, each commissioner shall take and file with the secretary of state the following oath:

"I do solemnly swear that I will support the constitution of the United States, the constitution of this state; that I will faithfully discharge my duties as commissioner of the public service commission according to the best of my ability; and that I am not in the employ of or holding any official relation to or pecuniarily interested in any individual proprietorship, firm, co-partnership, corporation or association, the activities of which are wholly or partially subject to

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regulation by the public service commission; nor do I serve on or under any committee of any political party.”

Subd. 5. **Quorum.** A majority of the commission shall constitute a quorum, and the act or decision of a majority shall be the act or decision of the commission, provided that vacancy on the commission shall not impair the authority of the remaining commissioners or a remaining commissioner to exercise all of the powers of the commission.

Sec. 4. [216A.04] **Secretary; employees.** Subdivision 1. **Selection and duties of secretary.** The commission shall appoint a secretary, not a member, who shall be in the unclassified service of the state and shall serve at the pleasure of the commission, except that the secretary now serving the railroad and warehouse commission shall continue as secretary in the classified service. He shall take, subscribe and file an oath similar to that required of the commissioners. He shall be charged with keeping full and correct records of all transactions and proceedings of the commission, have the power to administer oaths, and perform such other duties as may be prescribed by the commission. He shall be the official custodian of the records and seal of the commission and shall be subject to the same disqualifications as commissioners.

Subd. 2. **Acting secretary.** The commission may designate any responsible employee to serve as acting secretary in the absence of the secretary.

Subd. 3. **Officers and employees.** The commission may employ such other assistants as may be necessary to carry out its functions, including hearings, officers and reporters, within the funds provided therefor from time to time. The commissioners individually may act as hearings officers.

Sec. 5. [216A.05] **Functions and powers.** Subdivision 1. **Legislative nature of functions.** The functions of the commission shall be legislative in nature. It may make such investigations and determinations, hold such hearings, prescribe such rules and regulations and issue such orders with respect to the control and conduct of the businesses coming within its jurisdiction as the legislature itself might make but only as it shall from time to time authorize.

Subd. 2. **Powers generally.** The commission shall, to the extent prescribed by law:

(1) Investigate the management of all carriers and warehousemen, including express companies, sleeping car companies and

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telegraph companies, the manner in which their businesses are conducted and the adequacies of the services which they are affording to the public, and make all appropriate orders relating to the continuation, termination or modification of all services and facilities with a view to properly promoting the security and convenience of the public.

(2) Review and ascertain the reasonableness of tariffs of rates, fares and charges, or any part or classification thereof, and prescribe the form and manner of filing, posting and publication thereof.

(3) Prescribe uniform systems of keeping and rendering accounts and the time within which such systems shall be adopted.

(4) Direct the repair and reconstruction or replacement of any inadequate or unsafe trackage or structure, motor carrier vehicle or facility.

(5) Order the issuance of franchises, permits or certificates of convenience and necessity.

Subd. 3. **Manner of fact finding.** The commission may:

(1) Make or amend any rules and regulations governing the procedure and conduct of its hearings not inconsistent with law.

(2) Subpoena, in the same manner a district court summons is served, at such time and place as it may designate, any books, papers or accounts kept by any regulated business within or without the state, or compel production of verified copies in lieu thereof.

(3) Prepare all forms or blanks for the purpose of obtaining information which it may deem necessary or useful in the proper exercise of its authority and duties in connection with regulated businesses, and prescribe the time and manner within which such blanks and forms shall be completed and filed with it.

(4) Inspect, at all reasonable times, and copy the books, records, memoranda, correspondence or other documents and records of any business under its jurisdiction.

(5) Examine, under oath, any officer, agent or employee thereof in relation to its business and affairs.

Subd. 4. **Performance of functions of railroad and warehouse commission.** The commission shall exercise each and every legislative function imposed in present laws upon the railroad and warehouse commission.

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Subd. 5. **Hearings upon petitions.** The commission shall receive, hear and determine within six (6) months all petitions filed with it in accordance with the procedures established by law and may investigate, hold hearings and make determinations upon its own motion to the same extent, and in every instance, in which it may do so upon petition.

Subd. 6. **Operation with regard to federal law.** The commission is authorized:

(1) To cooperate with the interstate commerce commission for the purpose of harmonizing state and federal regulations within the state to the extent and in the manner deemed advisable, and for such purpose may approve and establish freight rates which depart from the distance principle required by any state law.

(2) To conduct joint hearings with the interstate commerce commission or federal communications commission within or without the state and participate in any proceedings before such commissions when it considers such participation advisable and in the interest of the people of this state.

(3) To nominate members to any joint board as provided by federal acts.

Sec. 6. [216A.06] **Director.** Subdivision 1. **Establishment of office, appointment; term.** The office of director of the administrative division of the department of public service is hereby established. He shall be appointed by the governor with the advice and consent of the senate, for a four (4) year term and the initial term to expire on the first Monday in January, 1971.

Subd. 2. **Disqualifications, removal.** The director shall be subject to the same disqualifications for office as commissioners, shall take and file a similar oath of office, and shall be in the unclassified service and shall be subject to removal by the governor for inefficiency, neglect of duty, malfeasance in office or any grounds provided herein as disqualifying him. His removal shall be upon not less than ten (10) days' notice, based upon written charges, with an opportunity for a public hearing thereon.

Sec. 7. [216A.07] **Duties of director.** The director shall be the executive and administrative head of the public service department. He shall expedite and supervise the enforcement of all orders and directives of the commission.

Sec. 8. [216A.08] **Continuation of rules of railroad and warehouse commission.** All valid rules, regulations, orders and directives heretofore issued or promulgated by the railroad and

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warehouse commission shall remain and continue in force and effect until repealed, modified or superseded by duly authorized rules, regulations, orders or directives of the public service commission.

Sec. 9. [216A.09] **Actions.** The commission may sue or be sued in its own name.

Sec. 10. [216A.10] **Repealer.** Minnesota Statutes 1965, Sections 216.01 to 216.05, 216.11, 216.28 to 216.33, 216.65 and 216.67, and all other provisions of the laws relating to public utilities which are inconsistent herewith are repealed, superseded or modified, as the case may be, hereby.

Approved May 25, 1967.

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#### CHAPTER 865—H. F. No. 2166.

*An act relating to the exemption from taxation of real and personal property owned by seaway port authorities, whether leased or not, amending Minnesota Statutes 1965, Sections 272.01, Subdivision 3; and 273.19.*

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

Section 1. Minnesota Statutes 1965, Section 272.01, Subdivision 3, is amended to read:

Subd. 3. **Seaway port authority; tax exemption.** The provisions of subdivision 2 shall not apply to:

(a) Federal property for which payments are made in lieu of taxes in amounts equivalent to taxes which might otherwise be lawfully assessed;

(b) Real estate exempt from ad valorem taxes and taxes in lieu thereof which is leased, loaned, or otherwise made available to telephone companies or electric, light and power companies upon which personal property consisting of transmission and distribution lines is situated and assessed pursuant to sections 273.37, 273.38, 273.40 and 273.41, or upon which are situated the communication lines of express, railway, telephone or telegraph companies, and pipelines used for the transmission and distribution of petroleum products;

(c) Property presently owned by any educational institution chartered by the territorial legislature;

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