

the commissioner of conservation by so specifying in the list of lands and mining units. A separate sealed bid shall be required for each mining unit as established by the commissioner covered by the application, and *shall* be accompanied by a certified check made payable to the state treasurer in the sum of \$200.00 as a guarantee that the applicant will carry out and perform in good faith all the covenants set out in *the* permit. The envelope containing each bid shall be plainly marked on the outside showing the date of application, date received by the commissioner, and the name of the applicant. The commissioner shall endorse upon each application and sealed bid the exact time of presentation and preserve the same unopened in his office.

Subd. 3. On the second Monday of June and the second Monday of December each year at 11 o'clock in the forenoon in the office of the governor in the state capitol in St. Paul the commissioner shall publicly announce the number of applications and bids received. The commissioner, together with the executive council, shall then publicly open these bids and announce the amount of each bid separately and award the permits to the highest bidder, but no bids shall be accepted that shall not equal or exceed the amounts provided for in section 93.20, nor shall any bid be accepted that shall not comply with the law and be accompanied by a certified check for the faithful performance of the terms of each permit as hereinbefore set out. The right is herein reserved to the state to reject any and all bids. All applications for permits and bids not accepted at such sale shall become void at the close of the sale and the checks accompanying the applications and bids shall be returned to the applicants entitled to them."

Approved April 14, 1949.

CHAPTER 435—H. F. No. 1617

An act relating to limitations upon tax levies of school districts; adjusting the basis of computation of tax limitations and the disposition of school property between certain districts; and amending Minnesota Statutes 1945, Section 275.12, as amended.

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

Section 1. Minnesota Statutes 1945, Section 275.12, as amended by Laws 1947, Chapter 573, Section 1, is amended to read:

275.12. Duties of auditor and assessors; violation. *Subdivision 1.* The total amount to [of] taxes levied by or for any school district in the state having a population of more than 5,000 for all general and special school purposes including the county school tax of one mill, required to be levied by the statute, but exclusive of any state levy, *income tax apportionment or other aids, or levies made for the payment of tax anticipation certificates issued under Laws 1947, Chapter 575*, shall not exceed in any year the amount hereinafter indicated per capita of the population of such school district: 1941, \$57.50 per capita; 1942, \$55.00 per capita; 1943, 52.50 per capita; 1944, \$50.00 per capita; 1945, \$47.50 per capita; 1946, \$45.00 per capita; 1947, \$42.50 per capita; 1948 and thereafter, \$40.00 per capita; in school districts having a population of 5,000 or less, such levy shall not exceed in any year the amount hereinafter indicated per capita of the population of such school district; 1941 and 1942, \$60.00 per capita; 1943, \$57.50 per capita; 1944, \$55.00 per capita; 1945, \$52.50 per capita; 1946, \$50.00 per capita; 1947, \$47.50 per capita; 1948, \$45.00 per capita; 1949, \$42.50 per capita; 1950 and thereafter, \$40.00 per capita. If in any year the maximum levy specified herein will not amount to \$110,000 for each school unit consisting of grades one to 12, inclusive, in any district, such district in that year may levy in excess of the amounts herein provided but not in excess of \$60.00 per capita and not in excess of \$110,000 for each complete school unit consisting of grades one to 12, inclusive, maintained in such district.

Subd. 2. In excess of the limitations set forth in subdivision 1 and in addition to any levies authorized by Laws 1947, Chapter 575, but not in excess of the limitations contained in any other law or charter, any district having a population in excess of 5,000 and operating schools in not more than 4 villages or cities, may levy an additional sum not exceeding \$11.00 per capita of the population of such school district in the year 1949 and subsequent years; any district having a population of more than 5,000 and operating schools in more than 4 villages or cities, may levy an additional sum not exceeding \$19.00 per capita in the year 1949 and subsequent years; any district having a population of not more than 5,000 but more than 2,500, and not falling within any subsequent classification of this subdivision, may levy an additional sum

not exceeding \$14.50 per capita in the year 1949 and \$17.00 per capita in the year 1950 and subsequent years; any district having a population of more than 2,500 in which in any year the maximum levy specified in subdivision 1 will amount to \$110,000 for each school unit consisting of grades one to 12, inclusive, may levy an additional sum not exceeding \$17.00 per capita in 1949 and subsequent years, in excess of \$110,000 or in excess of \$220,000, if such district maintains two complete school units of grades one to 12, inclusive; any district having a population of 2,500 or less in which in any year the maximum levy specified in subdivision 1 will amount to \$110,000 or less, may levy an additional sum not exceeding \$21.00 per capita in 1949 and subsequent years in excess of the amount provided by subdivision 1.

Subd. 3. If within one year prior to the passage of this act, territory has been detached from any independent school district and annexed to any other independent school district, the population of said two districts, for the purpose of computing the limitation upon tax levies authorized by this section and for the purposes of Laws 1947, Chapter 575, shall be computed in the years 1949 and 1950, by assigning 50% of the population of the territory so detached to the school district from which it was detached, and 50% thereof to the school district to which such territory was attached. In such case, title to any buildings or real estate in such territory owned by the school district from which such territory was detached, shall pass to the district to which such territory was annexed, as of January 1, 1951.

Subd. 4. If the Consumers Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics, for the City of Minneapolis, Minnesota (or if no such index is published for the City of Minneapolis, for the nearest city to Minneapolis for which such index is published) as of December 15th of any year (or for the date nearest to December 15th if no such index is published as of December 15th) shall be below 155 (using the average for the years 1935-1939 as a base), the additional levies authorized by subdivision 2 made in the next ensuing year, shall be reduced by 10% of the amounts authorized by said subdivision for each full 5 points that such index shall be below 155; if said index for said date shall increase above 185, the additional levies provided by subdivision 2 made in the next ensuing year, shall be increased by 10% the amounts authorized by said subdivision for each full 5 points that such index shall be above 185; provided, such

decrease shall not operate to reduce the levy of such district below the amounts authorized by section 275.12 as amended by Laws 1947, Chapter 573, prior to this amendment, and such increase shall not operate to increase such additional levies by more than 100% thereof. If the designation of such Consumers Price Index shall be changed or such index be issued by any other agency of the United States Government, the published index of such other agency computed substantially in the same manner as said 'Consumers Price Index' is now computed, shall be used for the purpose of this subdivision.

Subd 5. The additional levy provided for in subdivision 2 shall be made separately from other levies of the school district. At least 30 days before making such additional levy the school board shall adopt a resolution fixing the budget of estimated receipts and expenditures of the district for the fiscal year, in which such levy is to be made, or if the district is operating on a calendar year basis, for the next ensuing calendar year. Such budget shall show specifically the estimated total current expenditures and the estimated total current non-instructional expenditures, as hereinafter defined. No such additional levies shall be made unless either (1) less than 35% of the total expenditures of the district during said year under said budget will be expended for non-instructional costs; or (2) the board in adopting such budget shall have reduced the expenditures for non-instructional purposes to the lowest percentage of total expenditures consistent with the proper operation of the schools of the district. Limitation of the expenditures for non-instructional costs during said year to the percentage of total current expenditures shown by said budget, may be enforced by action in the district court at the suit of any taxpayer. The resolution fixing such budget and setting forth that the requirements of either clause (1) or clause (2) of this subdivision have been complied with, shall be published at least once in a legal newspaper published in said district, or if no legal newspaper is published in said district, in the county in which the district is located. Proof of such publication shall be filed with the county auditor. No such additional levy provided in subdivision 2 shall be spread by the county auditor of the county in which such school is located until more than 30 days subsequent to the date of such publication. Within such period any taxpayer may bring action to enjoin the making of such additional levy, upon the ground that the requirements of neither of said alternative clauses of this subdivision have been complied with, and if the court shall find that such district has not complied with such requirements, it shall

enjoin the making of such levy, or if such levy has been spread, reduce the amount of the taxes by an amount equal to such additional levy so spread. The court may issue such temporary restraining orders and injunctions pending final determination of any such action, as it may deem proper. If no such action is commenced within such 30-day period, no defense to such additional levies on the ground of non-compliance with either of said clauses (1) or (2) hereof may be interposed in any subsequent tax proceedings. Within the meaning of this subdivision, the expression 'total current expenditures' means the total expenditures of the district during a year for all purposes other than bonds and interest thereon, improvements properly chargeable as capital outlay, transportation, health service, and that portion of the expenditures for special non-instructional activities which is recovered by charges or reimbursement collected therefor; the expression 'non-instructional costs' means all that part of total current expenditures which is not expended for instructional salaries, including teachers and superintendents, text and library books, instructional supplies, and other costs of instruction as defined by the state department of education. If action is commenced as above provided, the state commissioner of education at the request of any party to said action, shall analyze the budget and operations of the district affected and shall report his opinion as to whether or not such district has reduced its expenditures for non-instructional purposes to the lowest percentage of total expenditures consistent with the proper operation of the schools of the district, which report shall be admissible in evidence in such action. In any such action the school district making the levy shall be made a party defendant.

Subd. 6. In the event that a taxpayer obtains a temporary injunction or restraining order restraining the county auditor from spreading such additional tax levy so that such additional levy cannot be spread by the auditor in that year, and such levy is subsequently held to be valid, said school district may issue tax anticipation certificates in the amount of the additional tax levy within the limitations of this act, certified by the district to the county auditor for said year. Such certificates shall be issued in such denominations as the board may determine, shall bear interest at such rate as may be fixed by the board, not exceeding 4% per annum, and shall be sold for not less than par and accrued interest. They shall be due and payable at such times as may be fixed by the board, not later than December 31st of the year following the year in which issued. The board may pledge the full faith and credit of the

district and the tax levies authorized hereunder for the payment of such certificates in full and they shall be a first charge upon the levy as pledged. In the event that at the time of the issuance of any of such certificates the district shall have money in the hands of the treasurer levied for its operations in the following calendar or fiscal year, it may issue such certificates to the treasurer, in lieu of selling them as heretofore provided, in which event such funds equal to the face value of such certificates may be transferred so as to be available for expenditures in the year of issuance. Certificates so issued to the treasurer shall be held by him, and may be sold under the direction of the board when necessary to replace the funds so advanced, and shall bear interest from the date of such sales. At the time of making its next general tax levy following the issuance of such certificates, said school district may levy a tax in excess of any existing limitations in an amount sufficient for the payment of any such certificates issued during the previous year with interest thereon. Monies levied for such purpose shall be put into a special fund and shall be used for no other purpose than the payment of such certificates and interest, and any balance in said fund after payment thereof may be transferred to the general fund and the next tax levy of the district shall be reduced in such amount as was transferred.

Approved April 14, 1949.

CHAPTER 436—H. F. No. 1639

[Not Coded]

An act relating to tax levies of independent school districts from which territory has been detached within one year preceding the date of this act, and authorizing the issuance of certificates.

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

Section 1. Independent school district tax levy in certain cases. This act is remedial in nature and applicable to independent school districts from which territory has been detached within one year prior to its passage, if the population of such detached territory amounts to more than 15 per cent of the total population of the district and because of the re-