

Section 1. Notwithstanding any law to the contrary the Minnesota public service commission shall not have authority to set rates or establish routes for the city of Mankato public transit system for regular route service provided to the cities of Mankato and North Mankato, and additionally to other communities within Blue Earth or Nicollet counties not already provided similar service by private bus carriers. The city council of the city of Mankato may set or alter rates and may establish or alter routes for the transit service described in this section. The city council shall not set or alter any rate or establish or substantially alter any route pursuant to this section without prior public notice and hearing. A decision of the city council pursuant to this section may be appealed by an aggrieved party in the same manner that an order of the public service commission in a like case may be appealed.

Approved March 28, 1978.

CHAPTER 693-H.F.No.2432

[Not Coded]

An act relating to Washington county; providing for the appointment and compensation of probation officers.

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

Section 1. **PROBATION OFFICERS; APPOINTMENT; COMPENSATION.** Notwithstanding the provisions of Minnesota Statutes, Section 260.311, regarding the appointment of probation officers, the board of commissioners of Washington county may, upon enactment of the appropriate resolutions, assume the power to appoint probation officers sufficient to meet the needs of the county court, fix their salaries pursuant to the provisions of Minnesota Statutes, Section 260.311, Subdivision 5, and employ such other staff as deemed necessary to the efficient administration and delivery of probation services to the county court. The county board may delegate the powers assumed pursuant to this act to the corrections advisory board or any other administrative body established to administer and deliver correctional services.

Sec. 2. **EFFECTIVE DATE.** This act is effective upon its approval by the board of commissioners of Washington county and compliance with Minnesota Statutes, Section 645.021 and expires two years after that date.

Approved March 28, 1978.

CHAPTER 694-H.F.No.2461

[Coded in Part]

An act relating to public utilities; providing for rate case settlement without a hearing.

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providing for the assessment of all costs of regulating telephone companies; amending Minnesota Statutes 1976, Chapter 237, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 216B.16, Subdivision 2; and 237.075, Subdivision 2; repealing Minnesota Statutes 1976, Section 237.29, as amended.

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

Section 1. Minnesota Statutes, 1977 Supplement, Section 216B.16, Subdivision 2, is amended to read:

Subd. 2. Whenever there is filed with the commission any schedule modifying or resulting in a change in any rates then in force; ~~together with the filed statements of facts, expert opinions, substantiating documents, and exhibits, supporting the changes requested; the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities affected, conduct a hearing to determine whether the rates are unjust or unreasonable.~~ Pending the hearing and the decision thereon as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension, at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect ~~unless the commission finds that a longer time will be required. If a longer time is required~~ During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension for a period not to exceed a total of nine months. If the commission does not make a final determination concerning any schedule of rates within a period of nine months beyond the time when the schedule of rates would otherwise go into effect, under subdivision 1, the schedule shall be deemed to have been approved by the commission. For the purposes of this subdivision, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 237.075, Subdivision 2, is amended to read:

Subd. 2. When there is filed with the commission as provided in subdivision 1 a schedule modifying or resulting in a change in any rate then in force, ~~together with the filed statements of fact, expert opinions, substantiating documents, and exhibits, supporting the changes requested; the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities and counties affected, conduct a hearing to determine whether the rates are unjust or unreasonable.~~ Pending the hearing and the decision thereon, the commission may suspend

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the operation of the schedule by filing of the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required the commission During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension, but in no event shall the period of suspension be more than nine months from the date when the schedule of rates would otherwise go into effect. If the commission does not make a final determination on or before the expiration of 12 months from the date the rates were initially filed, the schedule of rates shall be deemed to have been approved by the commission. The overcharge resulting from implementation of the schedule prior to the final determination of the commission shall be refunded to the customers of the telephone company in a manner prescribed by rules of the commission. For the purposes of this subdivision "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions.

Sec. 3. Minnesota Statutes 1976, Chapter 237, is amended by adding a section to read:

[237.295] COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATION; OBJECTIONS. Subdivision 1. Whenever the department, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary in order to carry out the duties imposed on it to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any telephone company, or to render any engineering or accounting services to any telephone company, the telephone company shall pay the expenses reasonably attributable to the investigation, appraisal, or service. The department shall ascertain the expenses, and shall render a bill therefor to the telephone company, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so assessed by the department shall be paid by the telephone company into the state treasury within 30 days from the date of assessment. The total amount, in any one calendar year, for which any telephone company shall become liable, by reason of costs incurred by the department within that calendar year, shall not exceed two-fifths of one percent of the gross jurisdictional operating revenue of the telephone company in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross jurisdictional operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 2, but shall be paid out of the general appropriation of the department.

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Subd. 2. The department shall annually, within 90 days after the close of each fiscal year, ascertain the total of its expenditures to the performance of its duties relating to telephone companies, and shall deduct therefrom all amounts chargeable to telephone companies under subdivision 1. The remainder shall be assessed by the department to the several telephone companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several telephone companies, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the telephone companies, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during such calendar year.

Subd. 3. Within 30 days after the date of the mailing of any bill as provided by subdivisions 2 and 3, the telephone company against which the bill has been assessed may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful or invalid. The commission shall within 60 days provide for a contested case hearing and issue an order in accordance with its findings. The order shall be appealable in the same manner as other final orders of the commission.

Subd. 4. The amounts assessed against any telephone company not paid after 30 days after the mailing of a notice advising the telephone company of the amount assessed against it, shall draw interest at the rate of six percent per annum, and upon failure to pay the assessment the attorney general shall proceed by action in the name of the state against the telephone company to collect the amount due, together with interest and the cost of the suit.

Sec. 4. Minnesota Statutes 1976, Section 237.29, as amended by Laws 1977, Chapter 364, Section 11, is repealed.

Approved March 28, 1978.

CHAPTER 695-H.F.No.2516

[Coded in Part]

An act relating to certain commercial transactions; amending provisions of the uniform commercial code governing investment securities and related provisions; amending Minnesota Statutes 1976, Sections 336.1-201; 336.5-114; 336.8-102; 336.8-103; 336.8-104; 336.8-105; 336.8-106; 336.8-107; 336.8-201; 336.8-202; 336.8-203; 336.8-204; 336.8-205; 336.8-206; 336.8-207; 336.8-208; 336.8-301; 336.8-302; 336.8-303; 336.8-304; 336.8-305; 336.8-306; 336.8-307; 336.8-308; 336.8-309; 336.8-310; 336.8-311; 336.8-312; 336.8-313; 336.8-314; 336.8-315; 336.8-316; 336.8-317; 336.8-318; 336.8-319; 336.8-320; 336.8-401; 336.8-402; 336.8-403; 336.8-404; 336.8-405; 336.8-406; 336.9-103; 336.9-203; 336.9-302; 336.9-304; 336.9-305; 336.9-309; 336.9-312; and Chapter 336, by adding sections; Minnesota Statutes, 1977 Supplement, Section 336.9-105.

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