

CHAPTER 499—H. F. No. 1115.

(AMENDING SECTION 176.06 MINNESOTA STATUTES 1941.)

An act to amend Mason's 1940 Supplement, Section 4272-5 by adding thereto a new Subdivision (3) providing for reimbursement of the State from recoveries by employees or dependents from other parties liable for injuries for which employers are liable for payment of compensation and other benefits.

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

Section 1. Law amended—State to be reimbursed from recoveries.—Mason's 1940 Supplement, Section 4272-5, is hereby amended by adding a new subdivision to read as follows :

(3) *In every case arising under the provisions of Subdivision (2) of aforesaid Section 4272-5 when the state is the employer no settlement between such third party and the employee shall be valid unless within a reasonable time prior thereto notice thereof has been given to the state, and if the state as employer has paid compensation or medical benefits to said employee under the provisions of the workmen's compensation act and has become subrogated to the rights of said employee or dependents as therein provided, then any settlement between the employee or his dependents and said third party shall be void as against the subrogation rights of the state.*

In the event any action at law is instituted by said employee or dependents against such third party for recovery of damages, said employee, dependents or his or their attorney shall also serve on the state a copy of the complaint and notice of trial or note of issue in such action. Any judgment rendered therein shall be subject to a lien of the state for the amount to which it is entitled to be subrogated under the provisions of (2) of aforesaid Section 4272-5.

In every case in which the state is the employer and liable to pay compensation or is subrogated to the rights of the employee or dependents all notices and services herein provided for shall be made on the Attorney General and the State Industrial Commission.

Approved April 19, 1943.

CHAPTER 500—H. F. No. 1387.

An act relating to public airports, providing for the organization and administration of public corporations for acquiring, establishing, developing, maintaining, controlling, and operating such

airports, and for financing the operations of such corporations, and those of other municipalities owning and operating airports, and appropriating moneys therefor.

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

Section 1. Declaration of purposes.—It is the purpose of this act to promote the public welfare and national security; serve public interest, convenience, and necessity; promote air navigation and transportation, international, national, and local, in and through this state; increase air commerce and promote the efficient, safe, and economical handling of such commerce; assure the inclusion of this state in national and international programs of air transportation; and to those ends to develop the full potentialities of the metropolitan areas in this state as aviation centers, and provide for the most economical and effective use of aeronautic facilities and services in those areas.

Sec. 2. Subdivision 1. Definitions.—The following words, terms, and phrases shall, for the purposes of this act, be given the meanings subjoined to them.

Subd. 2. “Commission” and “corporation,” each means a corporation created under this act as a metropolitan airports commission.

Subd. 3. “City council” or “council” means the governing body of a city, however, designated by law or charter.

Subd. 4. “Commissioner” means a person appointed or otherwise selected as, and, after his qualification, acting as, a member of a corporation created under this act.

Subd. 5. “The commissioners” means a quorum of the members of a corporation created under this act, acting as the governing body of such corporation.

Subd. 6. “Aeronautics” means the science and art of flight.

Subd. 7. “Person” means any individual, firm, copartnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

Subd. 8. “Airport” means any locality, either of land or water, including intermediate landing fields, which is used or intended to be used for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing, or repair of aircraft, or for receiving or discharging passengers or cargo, and also includes any facility used in, available for use in, or designed for use in, aid of air navigation, including, but without

limitation, landing areas, lights, any apparatus or equipment for disseminating weather information, for signaling, for radio-directional finding, or for radio or other electrical communication, and any other structure or mechanism having a similar purpose for guiding or controlling flight in the air or the landing and take-off of aircraft, and also includes, but without limitation, access roads, parking areas, railroad siding facilities, such land contiguous or not as may be required for installations necessary for safe and efficient operation, buildings, structures, hangars, shops, and any personal property usually used in connection with the operations of such airports, including specifically, but not exclusively, snow removal or impacting equipment, fire and ambulance equipment, motor vehicles and equipment for buildings, structures, hangars, and shops. It includes any area heretofore in the statutes of this state termed an "airport" or a "flying field."

Subd. 9. "City" or "each city" means one of the two contiguous cities of the first class in and for which a corporation shall be created under this act.

Sec. 3. Subdivision 1. **Public corporation created.**—For the purposes herein provided there shall be created a public corporation in and for any two contiguous cities of the first class in this state, to be known as the Metropolitan Airports Commission of those cities.

Subd. 2. This act is expressly declared to be applicable to all such cities whether or not they are now or hereafter existing under a charter framed and adopted under Section 36 of Article IV. of the state constitution.

Sec. 4. Subdivision 1. **Governing body of corporation.**—The following persons and their respective successors, herein termed commissioners, shall constitute the members and governing body of the corporation, namely: The mayor of each of the respective cities, or a qualified voter appointed by him; a member of the council of each of the respective cities, appointed by such council; a member of the board of commissioners having jurisdiction at the time of the passage of this act of airports of each of the respective cities, appointed by such board or commission, or, in case the council of either of such cities has jurisdiction of airports in said city, then a second member of such council, appointed by it; one additional commissioner from each city, who is a freeholder, has resided in the city from which he is appointed at least ten years, and does not hold any office under the state or any of its political subdivisions except that of notary public, herein termed a "citizen commissioner", such member in a city having the commission form of government to be appointed by the mayor, with the approval of the council, and in other cities by the coun-

cil, with the approval of the mayor; one member appointed by the governor of the state, who shall be a qualified voter of a county not contiguous to either of the counties in which the respective cities are located, who shall be chairman of the corporation.

Subd. 2. Each mayor, or any voter appointed by him in his stead, shall serve as a commissioner for the term of office of such mayor, or for the consecutive terms thereof if he be re-elected. Of the first commissioners, one appointed by each city council from its members shall serve for a term of four years, and one for six years, or if one is appointed by a board or commission having jurisdiction of airports instead of by the council, he shall serve for six years. The commissioner appointed by the governor shall serve for four years, and each of the citizen commissioners for six years. Each of said terms shall date from the election or appointment and qualification of the commissioner. Thereafter the term of each commissioner, except that of a mayor, of an appointee of such mayor in his stead, and of one appointed to fill a vacancy, shall be for six years. Notwithstanding the foregoing provisions of this subdivision, the term of any commissioner who is a member of a city council or board or commission having jurisdiction of airports shall terminate when for any reason he ceases to hold the city office to which he was elected, and a successor shall be immediately appointed to fill his unexpired term. Except as provided in the last sentence, each commissioner shall serve until his successor is duly appointed and has qualified. Any vacancy in the office of a commissioner shall be filled for the unexpired term and in such case or when the term of a commissioner expires his successor shall be chosen in the same manner as was his predecessor, and his appointment shall be evidenced in the same manner.

Subd. 3. Within 30 days after the effective date of this act, the commissioners shall be selected as provided in Subdivision 1 of this section. The clerk, secretary, or other appropriate official of each appointing public body shall immediately thereafter file with the secretary of state a certified copy or copies of the resolution or resolutions of such appointing body appointing commissioners from its own membership. At the same time the city clerk of each city shall file with the secretary of state a certificate stating the full name and address of the mayor of such city, and that such mayor has elected to act as a commissioner, or, in the event such mayor has appointed some other qualified voter in his place, shall file a certified copy of the order of the mayor appointing such commissioner. Such city clerk shall also file a certified copy of the record of appointment of the citizen commissioner. The governor shall file his appointment in the same office. Each person selected as a commissioner shall thereupon file in the

same office the oath of office prescribed by Section 8 of Article V. of the state constitution, subscribed by him and certified by the officer administering the same.

Subd. 4. Should any of the said appointments not be made, or any certification of appointments or any certificate as to a mayor electing to act as a commissioner, or any oath of office, not be filed as required, all within the time limits specified herein, the governor shall thereupon select and appoint such commissioners as have not been so designated. Any commissioner so appointed by the governor shall be a legal voter of the city for which he was appointed. Upon his filing the oath of office required by Subdivision 3 of this section, he shall have all the rights, privileges, and powers of a commissioner duly elected or appointed as provided herein. If thereafter any vacancy in the office of a commissioner shall not be promptly filled, the governor may proceed as in this subdivision provided.

Subd. 5. Immediately after the filing of the certificates, appointments, and oaths of office required hereby, the commissioner appointed by the governor shall call a meeting of the commissioners, giving to each notice by mail at least five days before the meeting. At such meeting, and at all subsequent meetings of the corporation to be created, seven-ninths of all the commissioners shall constitute a quorum for the transaction of business, and an affirmative vote of five-ninths of all the commissioners shall be required for the passage of any measure, except a measure involving the restriction of the use of the facilities of any of the airports taken over by the corporation under the provisions of this act. For the passage of any such measure, the designation of the name of any airport or airports, or for the establishment of any new airport or airports, or for any measure involving the issuance of bonds, an affirmative vote of six-ninths of all the commissioners shall be required, at least two of which affirmative votes shall be those of representatives of each of the cities for which the corporation is formed. Immediately after the meeting is called to order the commissioners present shall adopt an official name for the corporation, which name shall contain the words "Metropolitan Airports Commission", together with the names of the cities in and for which said corporation is being created, or some well known designation for those cities.

Subd. 6. Thereupon the commissioners appointed, or otherwise selected, and qualified, as in this section provided, shall forthwith become and be such a public corporation as is provided for in Subdivision 1 of Section 3 hereof, without further proceedings.

Sec. 5. Subdivision 1. **Organization meeting—corporate seal—by-laws.**—The commissioners shall at the organization meeting

of the corporation adopt a corporate seal and shall adopt by-laws for the regulation of the affairs of the corporation and rules of procedure governing their actions, not inconsistent with law. The by-laws shall provide for regular meetings of the corporation to be held at least once in each month, and for special meetings to be held as provided for in said by-laws.

Subd. 2. No commissioner shall receive any salary for his services, but each shall be reimbursed for actual and necessary expenses incurred by him in the performance of his duties, and those who are not salaried public officials may be paid, if so ordered by a majority of all the commissioners, the sum of \$10.00 per diem or part thereof spent in attending meetings of the commission, but no commissioner shall receive more than the sum of \$500 in any one year as per diem.

Subd. 3. No commissioner or any person holding appointment under the corporation shall be interested directly or indirectly in any contract entered into under the provisions of this act. No commissioner shall be subject to any personal liability on account of any liability of the corporation.

Subd. 4. The removal of residence of any commissioner from the city of which he was appointed or otherwise selected as a representative shall operate as a resignation of his office. Any commissioner may be removed from office by the body or person appointing him, or by the governor, for misfeasance, malfeasance, or nonfeasance in office, upon written charges and after an opportunity to be heard in his defense.

Sec. 6. Subdivision 1. **Shall elect vice-chairman.**—The corporation shall at its organization meeting elect from its membership a vice-chairman to serve as such for a period of one year from the first meeting of the corporation, and shall also elect a secretary, who may or may not be one of the commissioners. He shall hold office at the pleasure of the corporation, and shall, if not a commissioner, receive such compensation as may be fixed by the corporation. The state treasurer shall be the treasurer of the corporation, ex-officio.

Subd. 2. The chairman, vice-chairman, and secretary shall have such powers and perform such duties as may be given or imposed upon them by this act or by the by-laws of the corporation.

Subd. 3. The treasurer shall receive and be responsible for all moneys of the corporation, from whatever source derived, and the same shall be considered public funds. He shall disburse the moneys of the corporation only on orders made by the executive and operating officer, herein provided for, countersigned by the

chairman, vice-chairman, or other person authorized by the corporation, showing the name of the claimant and the nature of the claim. No disbursements shall be certified by such officers until the same have been approved by said commissioners at a meeting thereof. The treasurer shall keep an account of all moneys received and disbursed by him, and at least once a year, at times to be designated by the corporation, file with the secretary a financial statement of the corporation, showing in appropriate and identifiable groupings the receipts and disbursements since the last approved statement, the moneys on hand and the purposes for which the same are appropriated.

Subd. 4. The corporation shall, as soon after the organization meeting as is practicable, appoint a metropolitan director of airways, who shall be the executive and operating officer of the corporation, shall serve at the pleasure of the corporation, and shall receive such compensation as may be fixed by it. He shall have had experience as a business executive, preferably in connection with aviation and in the promotion of business enterprises. Under supervision of the corporation, he shall be responsible for the operation, management, and promotion of all activities with which the corporation is charged, together with such other duties as may be prescribed by the corporation. He shall have such powers as are necessarily incident to the performance of his duties and such others as may be granted by the corporation, but without authority to incur liability or make expenditures on behalf of the corporation without general or specific directions by the corporation, as shown by the by-laws or minutes of meetings thereof.

Subd. 5. The corporation shall have the power to appoint engineers and other consultants, attorneys, and such other officers, agents, and employees as it may see fit, who shall perform such duties and receive such compensation as the corporation may determine, and be removable at the pleasure of the corporation. Whenever the corporation performs any work within the limits of a city of the first class, or establishes a minimum wage for skilled or unskilled labor in the specifications or any contract for work within one of the cities, the rate of pay to such skilled and unskilled labor shall be the prevailing rate of wage for such labor in that city.

Sec. 7. Subdivision 1. **Powers of corporation.**—The corporation, subject to the conditions and limitations herein prescribed, shall possess all the powers as a body corporate necessary and convenient to accomplish the objects and perform the duties prescribed by this act, including those hereinafter specified, which,

however, shall not be construed as a limitation upon the general or any other specific powers hereby conferred.

Subd. 2. It may acquire by lease, purchase, gift, devise, or condemnation proceedings all necessary right, title, and interest in and to lands and personal property required for airports and all other real or personal property required for the purposes contemplated by this act, either within or without the limits of the cities in and for which it is created, pay therefor out of funds obtained as hereinafter provided, and hold and dispose of the same, subject to the limitations and conditions herein prescribed. Title to any such property acquired by condemnation or purchase shall be in fee simple, absolute, unqualified in any way whatsoever, but any such real or personal property or interest therein otherwise acquired may be so acquired or accepted subject to any condition which may be imposed thereon by the grantor or donor and agreed to by the corporation, not inconsistent with the proper use of the property by the corporation for the purposes herein provided. Any properties, real or personal, acquired, owned, leased, controlled, used, or occupied by the corporation for any of the purposes of this act are declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions.

Subd. 3. It may exercise the right of eminent domain in the manner provided by Mason's Minnesota Statutes of 1927, Chapter 41, as amended, for the purpose of acquiring any property which it is herein authorized to acquire by condemnation. The fact that the property so needed has been acquired by the owner under power of eminent domain, or is already devoted to a public use, shall not prevent its acquisition by such corporation by the exercise of the right of eminent domain herein conferred. The corporation may take possession of any such property so to be acquired at any time after the filing of the petition describing the same in condemnation proceedings. It shall not be precluded from abandoning the condemnation of any such property in any case where possession thereof has not been taken. When the airports owned by the affected cities are taken over by the corporation under the provisions of this act, all persons who are employees of the public body having the management and control of such airport at the time of the taking of the same, shall preserve their status and be entitled to all the rights and privileges under the provisions of any civil service or pension act contained in any charter of any city under which they had been previously employed, or any applicable law of the state of Minnesota.

Subd. 4. It may sue and be sued.

Subd. 5. It may contract and be contracted with in any matter connected with any purpose or activity within the powers of the corporation as in this act specified.

Subd. 6. It may construct and equip new airports, with all powers of acquisition set out in Subdivision 2 of this section, pay therefor out of the funds obtained as hereinafter provided, and hold, maintain, operate, regulate, police, and dispose of them or any of them as hereinafter provided.

Subd. 7. In addition to the municipal airports taken over by the corporation under the provisions of this act, the corporation may acquire by lease, purchase, gift, devise, or condemnation proceedings any existing airports, equip the same and make additions thereto or improvements thereon, pay therefor out of the funds obtained as hereinafter provided, and hold, maintain, operate, regulate, police, and dispose of them or any of them as hereinafter provided; provided, however, that said corporation shall have no authority to dispose of nor lease municipally-owned airports taken over under the provisions of this act.

Subd. 8. It may contract with the owners of existing privately owned airports for the use, equipment, improvement, maintenance, management, and operation by it of such airports, and thereafter use, equip, improve, maintain, manage, operate, regulate, and police them.

Subd. 9. It may acquire such air rights over private property as are necessary to insure safe approaches to the landing areas of all airports controlled by it, in the manner provided in Subdivision 2 of this section for the acquisition of airport property.

Subd. 10. It may acquire rights or easements for terms of years, or perpetually, to place, operate, and maintain suitable markings and lights for daytime or nighttime marking of buildings or other structures or obstructions, for the safe operation of aircraft utilizing airports to be acquired or maintained under the provisions of this act, in the manner provided in Subdivision 2 of this section for the acquisition of airport property.

Subd. 11. It may purchase all supplies and materials necessary in carrying out the purposes of this act.

Subd. 12. It may borrow money and issue bonds for the purposes of acquiring property, the acquisition of which is herein authorized, constructing and equipping new airports, acquiring existing airports, equipping them and making additions thereto or improvements thereon, and making capital improvements to any airport constructed or acquired by the corporation, or for the purpose of making payments on principal or interest of bonds

heretofore issued by either of the cities or any board of park commissioners of either thereof to secure funds for the acquisition, establishment, construction, enlargement or improvement of any airport taken over by the corporation pursuant to the provisions of Subdivision 2 of Section 9 hereof, payment of which has been assumed by the corporation, in the manner and within the limitations herein specified, and pledge any and all property and income of the corporation acquired or received as herein provided to secure the payment of such bonds, subject to the conditions and limitations herein prescribed, and redeem any such bonds if so provided therein or in the mortgage or deed of trust accompanying them, and may assume the payment of existing bonded indebtedness as in this act specifically provided.

Subd. 13. It may use for the following purposes any available moneys received by it from any source as herein provided, in excess of those appropriated, donated, loaned, or otherwise paid over to the corporation for specific purposes, or received from the sale of bonds, and those required for the payment of any bonds issued by the corporation and interest thereon, according to the terms of such bonds or of any mortgage or trust deed accompanying the same, to-wit: (a) to pay the necessary incidental expenses of carrying on the business and activities of the corporation as herein authorized; (b) to pay the cost of operating, maintaining, repairing, extending, and improving the properties under the control of the corporation; (c) to pay interest and principal of any bonds heretofore issued by either of the cities or any board of park commissioners of either thereof to secure funds for the acquisition, establishment, construction or enlargement of any airport referred to in Subdivision 2 of Section 9 hereof, payment of which has been assumed by it, or by the state of Minnesota; (d) if any further such excess moneys remain, to purchase upon the open market at or above or below the face or par value thereof any bonds issued by the corporation as herein authorized; any bonds so purchased to thereupon be cancelled.

Subd. 14. It may accept from the United States or the state of Minnesota, or any of their agencies, moneys or other assistance, whether by gift, loan, or otherwise, for the purpose of carrying out the purposes of this act and developing airports and other aeronautic facilities, and may enter into such contracts with the United States or any of its agencies as it may deem proper and consistent with the purposes of this act.

Subd. 15. Without limitation upon any other powers in this act granted, whether general or special, it may contract with any person for the use by such person of any property and facilities under its control, for such purposes and to such an extent as will, in the opinion of the commissioners, further the interests of

eronautics in this state and particularly in and about the cities in and for which the corporation has been created, including, but without limitation, the right to lease any such property or facilities, or any part thereof, to any person, the national government, or any foreign government, or any department of either, or to the state or any municipality; provided, however, that said corporation shall not have the authority to lease any municipal airport taken over by it under the provisions of this act.

Subd. 16. It may generally carry on the business of acquiring, establishing, developing, extending, maintaining, operating, and managing airports, with all powers incident thereto.

Subd. 17. It may from time to time make, adopt, and enforce such rules, regulations, and ordinances as it may find expedient or necessary for carrying into effect the purposes of this act, and fix penalties for the violation thereof not exceeding for each offense 90 days' imprisonment in jail or workhouse, or a fine not exceeding \$100, with imprisonment not exceeding 90 days if the fine be not paid.

The prosecution may be in any municipal court sitting within either city. Every sheriff, constable, policeman, and other peace officer shall see that all rules, regulations, and ordinances are obeyed, and shall arrest and prosecute offenders. The fines collected shall be paid into the treasury of the corporation, and all persons committed shall be received into any penal institution in the county in which the offense was committed. All persons shall take notice of such rules, regulations, and ordinances without pleading or proof of the same.

Sec. 8. Subdivision 1. **Survey of existing airports—report to Governor.**—Immediately after the organization of the corporation, the commissioners shall make a study of existing airports in and about the cities in and for which the corporation is created and shall formulate plans for the betterment and enlargement of existing airports and the acquisition and construction of new airports, together with plans for the maintenance, operation, and use of airports which are to be controlled by the corporation.

Subd. 2. Not later than December 31st of the year in which the corporation is created the findings of the commissioners and the proposed plans of operation shall be submitted in writing to the governor, to the city councils of the cities involved, and to any board or commission having jurisdiction of airports in either city. If such findings and plans are not so submitted within the time limited hereby, the governor shall notify the mayors and the appointing bodies named in Subdivision 1 of Section 4 of this act, that new commissioners shall be appointed. Thereupon it shall

be the duty of each such mayor and appointing body to immediately appoint new commissioners to fill the remaining terms of the original commissioners appointed by them, and of the governor to appoint a new commissioner to fill the remaining term of the commissioner originally appointed by him; provided, however, that a mayor who is a commissioner may retain his membership in the corporation if he so elects. Certificates, appointments, and oaths of office shall be filed in the office of the secretary of state in the manner provided for in Subdivision 3 of Section 4 hereof. The provisions of Subdivision 4 of Section 4 shall apply to proceedings under this subdivision.

Subd. 3. Immediately upon the filing of the certificates, appointments, and oaths of office, provided for in Subdivision 2 of this section, the offices of the original commissioners shall automatically become vacant, in this order: First, those of the commissioners appointed by the councils, boards or commissions from their membership; then those of the commissioners appointed by mayors in their stead, if any; then those of the mayors not electing to retain membership in the corporation; then those of the citizen commissioners, and then that of the commissioner appointed by the governor. As the office of each commissioner becomes vacant, the commissioner selected in his place shall be and become a member and one of the governing body of the corporation for the unexpired term of the commissioner he succeeds; the corporate capacity of the commission continuing uninterrupted.

Subd. 4. The succeeding commissioners shall make the study, prepare the plans, and submit the findings and proposed plans required by Subdivision 2 of this section within 90 days from the date they become members of the corporation.

Subd. 5. Thirty days after the submission of the findings and proposed plans provided for in this section, public hearings, of which two weeks' published notice shall be given by the commissioners, shall be held in the cities involved, by the commissioners. After such hearings the commissioners shall adopt and file with the governor and the city councils and boards or commissions having jurisdiction of airports of the cities, a permanent plan of operation, which shall, however, be subject to such additions, revisions, and modifications as may from time to time seem to the commissioners to be proper and best calculated to carry out the purposes of this act.

Sec. 9. Subdivision 1. **Exercise of powers.**—Immediately after the adoption and filing of its permanent plan of operation, the corporation shall proceed to exercise the powers herein granted.

These powers may be exercised at any place within 25 miles of the city hall of either city.

Subd. 2. Immediately following the adoption and filing of its permanent plan of operation, the corporation shall and is hereby directed to take over the use, management, operation, regulation, policing, and control of any or all airports owned by either city, whether said airports are then under the management and control of, or title thereto is held in the name of, the city itself, the council, a board of park commissioners, or any other body; consent by each city, the council, the board of park commissioners, and any other agency, board, or department thereof, to such use, management, operation, regulation, policing, and control to be conclusively presumed to have been given by the appointment of commissioners pursuant to the provisions of this act. Authority is hereby granted to the mayor and council of each city and any board or commission having jurisdiction of airports in either city to give such consent in that manner. Immediately upon taking over the use, management, operation, regulation, policing, and control of any such airport or airports the corporation may exercise all the powers herein granted to it with reference to any airport property, except the right of leasing or disposing of the fee title to the lands included therein, without the payment of any rental therefor, from the date of such taking over. The title to the fee of the land included in each such airport shall remain in the city, or agency, board, or department of such city, then owning it. The action to be taken pursuant to the provisions of this subdivision of this section is declared to be necessary in order to provide an integrated airports system and enable the corporation to carry out the public and governmental purposes of this act. The corporation shall not close any existing airport in either city to air freight commerce consigned to or originating in such city unless and until it provides for such city, freight airport facilities which, in the judgment of the corporation, are as substantially equal in convenience and safety to the businesses and industries of that city as are the existing freight airport facilities now available (except as the same may be restricted by governmental use) to its businesses and industries. For the purpose of this subdivision only, the word "airport" shall include only the lands, buildings, and equipment acquired for use primarily for any such airport so taken over as in this subdivision provided.

Subd. 3. The authority in Subdivision 2 of this section granted to the corporation is not conditioned upon the receipt of any appropriation in this act provided for. Each city involved, or any board or commission of such city, shall pay the balance due on its bonds which have prior to the enactment of this act

been issued pursuant to law or charter to secure funds for the acquisition, establishment, construction, enlargement or improvement of the airports to be taken over as provided in Subdivision 2, according to the terms of such bonds. The corporation created by this act may, however, if it shall so determine, assume the payment of part or all of the balance due on such bonds at the time of its taking over the use, management, operation, regulation, policing and control of such airports.

Subd. 4. The corporation shall further proceed, as soon as it is deemed advisable by the commissioners, and funds are available, to otherwise carry out the purposes of this act. It may provide, in addition to airports existing at the time of the passage of this act, at least one major or primary metropolitan airport which shall be as nearly equidistant from the city halls of both cities as possible. All other new airports to be constructed shall be so located that the airport system of the corporation as a whole shall be of substantially equal convenience to both cities. It shall put all airports and other facilities to their maximum use for passenger, mail, express, freight, and other air transportation operations as the needs therefor develop, and shall encourage the establishment of related aircraft industries.

Sec. 10. **Shall exercise control and jurisdiction over existing airports.**—After taking over operation and maintenance of the municipally-owned airports, in accordance with the provisions of Section 9, Subdivision 2, of this act, the corporation, if it so determines, shall exercise control and jurisdiction over any other airport within twenty-five miles of the city hall of either city, and no airport shall be acquired or operated within that distance of the center of either city without the approval of the corporation.

Sec. 11. **Shall fix rentals.**—The corporation shall have the authority to determine the charges or rental for the use of any of the property under its management and control, and the terms and conditions under which such property may be used. Charges shall be reasonable and uniform for the same class of service, and established with due regard to the value of the property and improvements used and the expense of operation to the corporation. The corporation shall have and may enforce liens as provided for in Mason's Minnesota Statutes of 1927, Sections 8507 to 8511, both inclusive, to enforce the payment of any such charges.

Sec. 12. Subdivision 1. **Act declared public and governmental.**—It is hereby determined and declared that the purposes of this act are public and governmental, and that the establishment of airport systems, in the state of Minnesota, including the airport system to be established by the corporation created by this

act, will promote the public safety and welfare of the state; that the acquisition, construction, development, extension, maintenance, and operation of such airport systems are essential to the development of air navigation and transportation in and through this state, and are necessary in order to assure the inclusion of this state in national and international systems of air transportation now being planned; that the airport systems to be developed under this act will benefit the people of the state as a whole, and will render a general public service; that the establishment of such airport systems as soon as practicable is essential in order to make adequate provision for state and national defense during the present war, and for the rendering of aid by the state in the prosecution of the war; that the development of such airport systems will provide employment and will reduce unemployment after the war, and will thereby aid in other ways and be of great public economic benefit in postwar readjustment; and that an emergency exists requiring immediate action for the establishment of airport systems by the means and in the manner herein provided.

Subd. 2. In order that the survey, studies and plans of operation provided for in Section 8 of this act may be commenced, continued, and completed without delay, there is hereby appropriated out of any moneys in the state treasury, not otherwise appropriated, to each Metropolitan Airports Commission created under this act, the sum of \$25,000, or so much thereof as may be necessary for the purposes of carrying out the provisions of said Section 8 hereof.

Nothing herein shall be construed to prohibit or prevent the said cities from contributing money or the services of their personnel to the work of the corporation from any source available to them under the law, but any moneys so contributed shall be deposited with the state treasurer for the benefit of the work of the corporation. The corporation is also empowered to accept donations, gifts, or services to be used in its work.

Subd. 3. If further funds than such as are paid from the state treasury under the provisions of Subdivision 2 of this section are required for such surveys, studies, and plans, the commissioners shall prepare a detailed budget of the additional sums so required, and certify the same to the councils of the respective cities, which shall review the budget. The commissioners, upon notice from any such city, shall hear objections to the budget, and may after such hearing modify or amend it. They shall then give due notice to the city councils of such modifications and amendments, and each city shall thereupon, through its proper officers, pay its proportionate share to the treasurer of the corporation. The amount to be paid shall be apportioned to the cities in the same proportion as the last assessed valuation of the real and

personal property in each city, excluding moneys and credits, bears to the total assessed valuation in both cities. In the event any such city has not on hand funds available to meet its proportionate share, it is hereby authorized to borrow the same, and to pledge the credit of such city to the repayment of the indebtedness so created. Any obligation so incurred shall be authorized by vote of the council, and any such obligation shall be signed by the mayor and city clerk under the city corporate seal, shall bear interest at not to exceed five per cent per annum, and shall be payable not more than one year from its date. Such obligations shall be sold in the manner provided by Mason's Minnesota Statutes of 1927, Section 1943.

Subd. 4. (1) There is hereby created a special fund to be known as the Minnesota Metropolitan Airports Fund, to be used for the purposes hereinafter specified. To provide moneys for the fund the state auditor is hereby authorized and directed to levy upon all taxable property in the state, in the manner in which other state taxes are levied, for the taxable years of 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, and 1953, taxes sufficient to produce the sum of \$100,000 for each of said taxable years, together with such additional sums as may be necessary to pay the interest upon the certificates of indebtedness hereinafter authorized. In case of a deficiency in the proceeds of such tax levy for any year, the auditor shall levy sufficient additional amounts in succeeding years to compensate therefor until the full amount herein authorized has been raised. The proceeds of such taxes shall be credited to the Minnesota Metropolitan Airports Fund.

(2) Pending the levy and collection of such taxes, upon request of the governor, the state auditor is hereby authorized and directed to issue and sell certificates of indebtedness of the state as funds are needed for the purposes of this act, not exceeding the amount required from time to time to meet the appropriations hereinafter made and not exceeding \$1,000,000 in the aggregate. Such certificates shall be known as Minnesota Metropolitan Airports Certificates of Indebtedness, shall be numbered consecutively, and shall be issued and sold at not less than par upon sealed bids after two weeks' published notice, unless sold to the State Board of Investment as hereinafter provided. Such certificates shall be in such form and of such denominations, and shall mature at such times as the auditor may determine, not exceeding the time when funds shall be available for the payment thereof from the tax levies authorized by paragraph (1) of this subdivision. Such certificates shall bear such rate of interest, payable semiannually, and shall contain such other terms and provisions, not inconsistent herewith, as the auditor may determine. Such certificates shall be signed by

the state treasurer and attested by the state auditor under their official seals, and the auditor and treasurer shall keep records thereof. Such certificates shall be a charge upon and a lien against the taxes authorized by paragraph (1) of this subdivision. The principal and interest of such certificates shall be payable only from the proceeds of such taxes, and so much thereof as may be necessary is hereby appropriated for such payments; provided, that such interest as may become due at any time when there is not on hand a sufficient amount from the proceeds of such taxes to pay the same shall be paid out of the general revenue fund, and the amount necessary therefor is hereby appropriated, to be reimbursed from the proceeds of such taxes when received. All moneys received from the sale of such certificates shall be credited to the Minnesota Metropolitan Airports Fund.

(3) The State Board of Investment is hereby authorized to invest any funds under its control or direction in any certificates of indebtedness issued hereunder and to purchase such certificates at a rate of interest not exceeding three per cent per annum, and such certificates may be issued and sold to the board without advertising for bids.

(4) There is hereby appropriated to the governor out of the Minnesota Metropolitan Airports Fund, for the purposes hereinafter specified, the sum of \$1,000,000, for the biennium period ending June 30, 1945, of which \$500,000 shall be available for the fiscal year ending June 30, 1944, and \$500,000 available for the fiscal year ending June 30, 1945. Any balance remaining at the end of any fiscal year shall be carried over and shall be available for the purposes of this act until July 1, 1945, and thereafter until all obligations theretofore incurred hereunder have been paid.

(5) The moneys hereby appropriated to the governor shall, from time to time, upon its authorization, be paid to the treasurer of any corporation created under this act, and to the treasurers of municipalities in the state of Minnesota which operate and maintain airports, which the governor shall determine are necessary to carry out the purposes of this act as determined and declared in Subdivision 1 of this section, in such amounts as he shall determine. In making his determination as to the municipalities to which such moneys shall be paid and as to the amounts which shall be paid them, the governor shall take into consideration the locations of the airports owned by such municipalities and their usefulness as a part of a state, national or international system of air transportation; the benefit of such airports to the people of the state as a whole as distinguished from purely local benefits; the possibilities of their use in providing for state and na-

tional defense; the use being made of them by the government of the United States during the present war, and the probability of future use in connection with the war.

(6) The moneys hereby appropriated shall be used for acquiring sites for, constructing, and equipping new airports, acquiring and equipping existing airports, making additions or improvements to any airport constructed or acquired by the corporation and other municipally-owned airports in the state of Minnesota, paying the necessary incidental expenses of carrying on the business and activities of the corporation as authorized in this act, and paying the cost of equipping, extending, improving, repairing, maintaining, and operating all properties under the control of the corporation, whether owned by it or not, and properties owned by other municipalities in the state of Minnesota, the operations of which are determined by the executive council essential in order to carry out the purposes of Subdivision 1 of this section.

(7) The governor shall not authorize the expenditure of any of the moneys hereby appropriated until he has consulted the legislative advisory committee created by Laws 1941, Chapter 497, 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 of this paragraph shall extend to any other agency to which the present authority of legislative advisory committee may be transferred, but shall be deemed to be repealed in case such authority shall be abolished.

Subd. 5. When the commissioners have adopted and filed the permanent plan of operation of the corporation in order to provide funds over and above any moneys received pursuant to the provisions of Subdivision 4 of this section to carry out the purposes of this act and for the expenses and disbursements of the corporation for the period before any tax moneys become available, they shall prepare a detailed budget of the needs of the corporation, giving credit thereon for the funds, if any, received on the original budget and unexpended, and certify the same to the councils of the respective cities, which shall review the budget. The commissioners, upon notice from any such city, shall hear objections to the budget, and may after such hearing modify or amend it. They shall then give due notice to the city councils of such modifications and amendments, and each city shall thereupon, through its proper officers, pay its proportionate share to the treasurer of the corporation. The amount to be paid shall be apportioned to the cities in the same proportion as the last

assessed valuation of the real and personal property in each city, excluding moneys and credits, bears to the total assessed valuation in both cities. In the event any such city has not on hand funds available to meet its proportionate share, it is hereby authorized to borrow the same by issuing and selling bonds, which, notwithstanding any provision to the contrary included within the charter of such city or any general law of the state of Minnesota, may be issued and sold without a vote upon said questions by the electors of the city. All bonds issued under the provisions of this subdivision shall be payable serially in annual installments as determined by the city council, the first thereof to become due and payable in not more than three years from the date of such obligations and the last installment thereof to become due and payable not more than 30 years from their date. No annual maturing installment of principal of any issue of such obligations shall be more than two and one-half times the amount of the smallest installment thereof maturing in any one year.

Sec. 13. Subdivision 1. Commissioners shall prepare budget.—Thereafter, the commissioner shall, on or before the first day of July of each year, prepare a detailed budget of the needs of the corporation for the next fiscal year, specifying separately in said budget the amounts to be expended for acquisition of property, construction, payments on bonded indebtedness, if any, operation, and maintenance, respectively, and shall certify the same on said date to the council of each city, together with a statement of the proportion of the budget to be provided by each city, determined as provided in Subdivision 6 of Section 12 hereof. The council of each such city shall review the budget, and the commissioners, upon notice from any such city, shall hear objections to the budget and may, after hearing, modify or amend it, and shall give due notice to the cities of such modification or amendment. It shall be the duty of the council of each city in and for which the corporation is created to provide the funds necessary to meet its proportion of the total cost for acquisition of property, payment on bonded indebtedness, if any, construction, operation, and maintenance as finally certified by the commissioners, such funds to be raised by the tax levies, bond sales, or by other means within the authority of said cities, and to pay the same over to the treasurer of the corporation in such amounts and at such times as he may require. Each city is authorized to issue and sell such bonds as may be necessary to meet its obligations under this section irrespective of any limitation in any home rule charter or special or general law, without a vote upon said question by the electors of said city, and bonds so determined to be issued and sold shall be issued and sold in the manner provided by Subdivision 6 of Section 12 and Section 19 hereof.

Subd. 2. If any such city shall fail to take the necessary action to provide the funds required by the corporation as in Section 12 and this section provided, the commissioners shall on or before October 10th of each calendar year, certify to the county auditor of the county in which the city so failing to comply shall be located, the amount determined by the commissioners to be raised by that city, and the county auditor shall extend, spread, and include the same with and as a part of the general taxes for state, county, and municipal purposes, to be collected and enforced therewith, together with penalties and interest and costs, and the county treasurer, upon collection of the same, shall transfer the same to the treasurer of the corporation.

Subd. 3. In any budget certified by the commissioners, pursuant to any of the provisions of this section or of Section 12 hereof, the amount included for operation and maintenance shall not exceed an amount which, when apportioned to the cities affected, will require the payment by either city for those items of an amount greater than would be produced by a levy of one mill upon the assessed valuation of such city.

Sec. 14. **Disposition of earnings.**—The earnings of the corporation shall be applied as follows: (a) to the payment of interest on its bonds and of any principal of such bonds which is due and payable; (b) to the establishment of a sufficient fund to pay interest and principal on its bonds which will be payable in the following fiscal year; and (c) to the other purposes set out in Subdivision 13 of Section 7 of this act. If the amount included in the budget for any year, including the sum necessary to make payment of interest on and principal of bonds in the ensuing fiscal year is not sufficient to meet the needs of the corporation for that year, any deficit shall be included in the budget of the corporation for the following year.

Sec. 15. **Limit of tax levy.**—The taxes levied against the property of each city in any one year shall not exceed one mill upon the assessed valuation thereof, exclusive of the taxes it may be necessary to levy to pay the principal or interest on any bonds or indebtedness of said city issued by it under the provisions of this act, and exclusive of any amounts required to pay the share of such city for payments on bonded indebtedness of the corporation provided for in this act. The levy of taxes authorized in this act shall be in addition to the maximum rate allowed to be levied to defray the cost of government under the provisions of the charter of any city affected by this act.

Sec. 16. **Subdivision 1. May issue bonds.**—In anticipation of the receipt by the corporation of payments by cities herein provided for, appropriations, rents, and profits, and of income from

any other source, and for the purpose of securing funds as needed for the payment of the cost of property acquired, airports constructed and purchased, and other purposes herein authorized, the corporation is hereby authorized to issue its bonds in an aggregate principal amount not exceeding \$15,000,000, bearing interest at a rate not to exceed five per cent per annum, payable semi-annually. Notwithstanding any provision to the contrary included within the charter of either city or any general or special law of the state of Minnesota they may be issued and sold without a vote upon said questions by the electors of either city.

Subd. 2. Such bonds shall be of such date, denominations, place of payment, form, and details as may be determined by such corporation, not inconsistent with the provisions of this act. They shall mature serially, the first installment to fall due in not more than three years and the last in not more than 30 years from their date, and no annual maturing installment shall exceed by two and one-half times the amount of the smallest annual maturing installment; provided, that the amount of such installments of principal may be such that the increase thereof from year to year shall approximately equal the decrease from year to year in the interest of the bonds remaining unpaid.

Subd. 3. The bonds shall be signed by the chairman, attested by the secretary, and countersigned by the treasurer, of the corporation, and the interest coupons to be thereto attached shall be executed and authenticated by the printed, engraved or lithographed facsimile signature of the chairman and secretary. They shall be sold by the corporation upon such notice and upon such terms and at such times as the corporation shall deem best. They shall not impose any personal liability upon any member of the corporation.

Subd. 4. The bonds shall be secured by pledge of the full faith, credit, and resources of the cities in and for which the corporation has been created. The corporation is hereby authorized to pledge such full faith, credit, and resources, and specific consent thereto by each city shall be conclusively presumed from the appointment of commissioners by the council thereof. They shall be paid from tax levies as hereinafter provided, and from earnings of the corporation, or may be secured by mortgage or deed of trust on any of the property owned by the corporation.

Subd. 5. The corporation, upon issuing any bonds under the provisions of this section, shall, before the issuance thereof, levy for each year, until the principal and interest are paid in full, a direct annual tax on all the taxable property of the cities in and for which the corporation has been created in an amount not less than five per cent in excess of the sum required to pay the principal and interest thereof, when and as such principal and interest

matures. After any of such bonds have been delivered to purchasers, such tax shall be irrevocable until all such indebtedness is paid, and after the issuance of such bonds no further action of the corporation shall be necessary to authorize the extensions, assessments, and collection of such tax. The secretary of the corporation shall forthwith furnish a certified copy of such levy to the county auditor or county auditors of the county or counties in which the cities in and for which the corporation has been created are located, together with full information regarding the bonds for which the tax is levied, and such county auditor or such county auditors, as the case may be, shall enter the same in the register provided for in Mason's Minnesota Statutes of 1927, Section 1938-8, or a similar register, and shall extend and assess the tax so levied. If both cities are located wholly within one county, the county auditor thereof shall annually extend and assess the amount of the tax so levied. If the cities are located in different counties, the county auditor of each such county shall annually extend and assess such portion of the tax levied as the assessed value of the taxable property, not including moneys and credits, located wholly within the city in such county bears to the total assessed value of the taxable property, not including moneys and credits, within both cities. Any surplus resulting from the excess levy herein provided for shall be transferred to a sinking fund after the principal and interest for which the tax was levied and collected has been paid; provided, however, that the corporation may, on or before October 15th in any year, by appropriate action, cause its secretary to certify to the county auditor, or auditors, the amount on hand and available in its treasury from earnings, or otherwise, including the amount in the sinking fund, which it will use to pay principal or interest or both on each specified issue of its bonds, and the county auditor or auditors shall reduce the levy for that year, herein provided for by that amount. The amount of funds so certified shall be set aside by the corporation, and be used for no other purpose than for the payment of the principal and interest of the bonds. All taxes hereunder shall be collected and remitted to the corporation by the county treasurer or county treasurers, in accordance with the provisions of law governing the collection of other taxes, and shall be used solely for the payment of the bonds where due.

Subd. 6. This section shall not be construed as limiting the power of the corporation to levy taxes to pay its bonds issued hereunder but such corporation shall have the authority and it shall be its duty to levy any taxes necessary to provide revenue to pay such bonds.

Sec. 17. **Bonds to be legal investments for public funds.**— Bonds legally issued pursuant to this act may be purchased by

the state board of investment for the permanent school fund, permanent university fund, swamp land fund, internal improvement land fund, or any other trust fund of the state of Minnesota, or for any other fund administered by such board, and shall be deemed authorized securities within the provisions of Mason's Minnesota Statutes of 1927, Section 7714, as amended, and shall be proper for the investment of capital, surplus, or deposits of any savings bank or trust company, and for the investment of funds of any insurance company, and for the investment of any sinking funds held by any public or municipal corporation, and may be pledged by any bank or trust company as security for the deposit of public moneys therein in lieu of surety bonds. Such bonds shall be deemed and treated as instrumentalities of a public government agency, and as such shall be exempt from taxation.

Sec. 18. Limit of indebtedness.—The corporation shall never be subject to an indebtedness in excess of \$15,000,000, nor shall it incur any indebtedness except as authorized herein.

Sec. 19. Bonds of be guaranteed by municipalities.—Bonds issued pursuant to the provisions of this act by either city shall be secured by the full faith, credit, and resources of the city issuing them, shall be paid from tax levies made in conformity with Mason's Minnesota Statutes of 1927, Sections 1938-7 and 1938-10, and shall be sold in the manner prescribed by Mason's Minnesota Statutes of 1927, Section 1943. No provisions of any existing law or special or home rule charter under which either city may be acting shall be deemed or construed to impair, curtail or limit in amount, form or manner the power to issue any bonds pursuant to this act, and the bonds issued by either city or by the corporation pursuant to this act shall not be included in computing the net indebtedness of such municipality under any applicable law or charter.

Sec. 20. Construction work.—The provisions of Section 15 of Chapter 341, Laws of 1933, shall apply to all construction work and every purchase of equipment, supplies, or materials necessary in carrying out the provisions of this act. The powers there granted to and the duties imposed upon the board of trustees of the corporation there referred to are hereby respectively granted to and imposed upon the commissioners.

Sec. 21. Inconsistent acts repealed.—All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

Sec. 22. Provisions severable.—If any provisions of this act, or the application thereof, is held invalid, such invalidity shall not affect provisions or applications of the act which can be

given effect without the invalid provisions or applications and to this end the provisions of this act are declared to be severable.

Sec. 23. **Construction of act.**—This act shall not be construed so as to abridge any of the powers granted by law to the Minnesota Aeronautics Commission.

Sec. 24. **Effective July 6, 1943.**—This act shall take effect and be in force from and after July 6, 1943.

Approved April 19, 1943.

CHAPTER 501—H. F. No. 1215.

(AMENDING SECTIONS 340.11; 340.12 AND 340.13 MINNESOTA STATUTES 1941.)

An act relating to intoxicating liquors and amending Mason's Supplement 1940, Section 3200-25, as amended by Chapters 4, 34, 359, and 485, Laws of 1941, Section 3200-26, and Section 3200-27.

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

Section 1. **Law amended.**—That Mason's Supplement 1940, Section 3200-25 be and the same is hereby amended so that the same shall be and read as follows:

“3200-25. **Licenses.**—It shall be unlawful for any person, directly or indirectly, upon any pretense or by any device, to manufacture, import, sell, exchange, barter, dispose of, or keep for sale any intoxicating liquor without first having obtained a license therefor, as herein provided. Nothing herein shall prohibit the natural fermentation of fruit juices in the home for family use. All manufacturers' and wholesalers' licenses shall include the right to import and shall be granted by the liquor control commissioner. The business of manufacturer and wholesaler may be combined and carried on under one license issued therefor. All licenses for retail 'Off sale' shall be granted by the local governing body, subject to the approval of the liquor control commissioner, and not effective until so approved.

The liquor control commissioner may issue a license or permit to any railroad company, dining car company, or sleeping car company, water transportation company or other common carrier operating in this state, to sell intoxicating liquors referred to in this chapter upon any vessel, dining car, buffet, observation, or