

ing the moneys, necessary for subdivision 2 of this section to borrow such moneys as may be required for the purposes of subdivision 2 of this section, but not more than \$500,000, and to allocate moneys so borrowed to the Governor.

Subd. 2. The moneys allocated to the Governor under authority of subdivision 1 of this section are hereby appropriated to the Governor for the purposes of this act. The moneys appropriated in this subdivision may be expended only during the existence of the period when the Governor is authorized to exercise the emergency powers and duties conferred and imposed upon him by Section 301 of this act.

Approved April 23, 1951.

CHAPTER 695—S. F. No. 2

An act relating to the state civil service, providing for basic rates of pay and cost of living adjustments thereunder; amending Minnesota Statutes 1949, Section 43.123, Subdivisions 1 and 2, and adding new provisions.

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

Section 1. Minnesota Statutes 1949, Section 43.123, Subdivisions 1 and 2, are amended to read as follows:

43.123. Investigation. Subdivision 1. The director shall, during the month of March, 1952, make an investigation and determine whether there has been a change in the average cost of living in the cities of this state since January 1, 1952, as shown by the December, 1951, indices published by the bureau of labor statistics of the United States department of labor. The director shall make a similar investigation during the month of March every year thereafter based on the *December index of the previous year* published by the bureau of labor statistics of the United States department of labor.

Subd. 2. (1) If upon any investigation provided for in subdivision 1 the director shall ascertain that the average cost of living index is more than 107 and not more than 114 he shall so notify the commissioner of administration, and the

economic adjustment increase of each classified employee's salary shall be decreased to two steps, except as to employees the classes of whose positions have been assigned to ranges one to nine, inclusive, whose economic adjustment increase shall be decreased to three steps, and effective the first day of the ensuing fiscal year, salaries shall be paid accordingly. If upon such investigation he shall ascertain that such cost of living index is more than 100 and not more than 107, he shall so notify the commissioner of administration, and, in like manner, the economic adjustment increase of each classified employee's salary shall be decreased to one step, except as to employees the classes of whose positions have been assigned to ranges one to nine, inclusive, whose economic adjustment increase shall be decreased to two steps. If upon any such investigation he shall ascertain that such cost of living index is 100 or less, he shall so notify the commissioner of administration, and, effective the first day of the ensuing fiscal year, the basic salaries provided for in Section 43.12, Subdivision 2, shall be paid. Thereafter no reduction of salary shall be made by reason of the fact that the average cost of living index is less than 100. Notification to the commissioner of administration of the lowering of the cost of living index shall be made on or before April 1, 1952, and on or before April 1, of each year thereafter. Copies of the notification to the commissioner of administration of the lowering in the average cost of living index shall be filed in the office of the secretary of state.

(2) If upon any investigation provided for in subdivision 1 the director shall ascertain that the average cost of living index is more than 177 and not more than 184, he shall so notify the commissioner of administration, and the economic adjustment increase of each classified employee's salary shall be increased to *twelve* steps, except as to employees the classes of whose positions have been assigned to ranges one to nine, inclusive, whose economic adjustment increase shall be increased to *thirteen* steps, and effective the first day of the ensuing fiscal year, salaries shall be paid accordingly.

If upon any such investigation he shall ascertain that such cost of living index is more than 184 and not more than 191, he shall recommend to the commissioner that such economic adjustment increase be increased to *thirteen* steps, except as to employees the classes of whose positions have been assigned to ranges one to nine, inclusive, whose economic adjustment increase shall be increased to *fourteen* steps.

After any such investigation a like recommendation shall be made for an additional one step increase for each rise in such index of *seven* points, or fraction thereof, above the 191, ascertained by the director, no more than one such increase to be recommended for rises within the same *seven* point range. *Following investigations subsequent to the initial investigation of March 15, 1952, the director shall recommend an increase, a decrease, or no change in the number of economic increments to be added to the basic salary ranges.* The recommendations of the director to the commissioner shall be made on or before April 1 of the year in which his investigation is made, and if the legislature is in session, copies of such recommendations shall at the same time be filed with each branch thereof. If the commissioner upon receiving any such recommendation finds that sufficient funds are available to finance the additional adjustment, he shall so certify to the director on or before June 1 of that year. Copies of all certifications by the commissioner made pursuant to this subdivision shall be filed in the office of the secretary of state. The new adjustment shall become effective the first day of the ensuing fiscal year and salaries shall be paid accordingly:

Sec. 2. Minnesota Statutes 1949, Section 43.123, is amended by adding new subdivisions thereto to read:

Subd. 4. Whereas the bureau of labor statistics of the United States department of labor, herein termed the bureau, is now publishing two indices showing the average cost of living; one prepared according to the method used by that bureau prior to December 15, 1950, which it terms the "old type" of index, and another, based on a wider range of items which it terms the "new type," and some confusion has arisen in industry in adjusting salaries and wages based on changes in the cost of living indices, to avoid any such confusion in adjusting the salaries of state employees, the director shall, in making the investigations and determinations provided for in this section, use the so-called "old type" of indices so long as they are published by the bureau. Notwithstanding the provisions of Subdivision 2, if the bureau ceases publication of the so-called "old type" of indices, the director shall use the same factors as were used in the "old type" index in establishing the economic adjustment increases or decreases authorized in this act.

Subd. 5. (1) Notwithstanding any provision in subdivisions 1 and 2 of this section to the contrary, there shall not

be added to any classified employee's salary during the fiscal years ending June 30, 1952 and 1953, respectively, economic adjustment increase except as provided in this subdivision.

(2) Notwithstanding any provision in subdivisions 1 and 2 of this section to the contrary, there shall be added to each classified employee's salary for the fiscal years ending June 30, 1952 and 1953 respectively, a five step economic salary adjustment increase which is based upon 6.5 points increase in the cost of living index.

(3) Notwithstanding any provision in subdivisions 1 and 2 of this section to the contrary the employee's economic salary adjustment, if any, made as a result of the initial investigation on March 15, 1952, provided for in subdivision 1 of this section, shall be made on the basis that for each 6.5 points change in the cost of living index there shall be a change of one step in the economic adjustment of each employee in the classified service. Following the initial investigation of March 15, 1952, the Director shall recommend an increase, or no change in the number of economic increments to be added to the basic salary ranges. The duties of the Director of Civil Service and Commissioner of Administration respectively, shall be as provided in subdivisions 1, 2, 3 and 4 of this section, except that they shall be governed by each 6.5 points change in the cost of living index in lieu of the 7 points change in the cost of living index as specified in subdivisions 1 and 2 of this section.

Approved April 23, 1951.

CHAPTER 696—S. F. No. 76

An act relating to the Minnesota State Teachers Retirement Fund Law, amending Minnesota Statutes 1949, Section 135.06.

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

Section 1. Minnesota Statutes 1949, Section 135.06, is amended to read as follows: