

5,000 situated in counties containing not less than 20,000, nor more than 25,000 inhabitants according to the 1930 federal census, and containing not less than 20, nor more than 21, full and fractional congressional townships, ten "on sale" licenses may be issued. In any city of the fourth class operating under a home rule charter, having a population exceeding 4,000, and not more than 4,500, according to the 1940 federal census, located in a county containing not less than 12, nor more than 13, townships, there may be issued in addition to the five "On Sale" licenses herein provided for, only one "On Sale" license to an hotel which operates a dining room serving meals regularly and which contains not less than 40 sleeping rooms.

Sec. 2. Minnesota Statutes 1949, Section 340.11, Subdivision 11, is amended to read:

Subd. 11. *In* cities of the first class not more than one "off sale" license shall be granted for every 5,000 inhabitants in any such city. Notwithstanding said limitation, any city of the first class in which "Off sale" licenses have heretofore been issued upon an estimated population computed on the increase in population in said city between the federal census of 1920 and the federal census of 1930, or where the 1940 federal census shows a decrease from the 1930 census and as a result of such computation "Off sale" licenses have been issued in excess of one for every 5,000 inhabitants as determined by the federal census of 1940, said city of the first class may continue to issue the number of "Off sale" licenses which said city issued for 1940. In such cities, such licenses shall be issued only to proprietors of drug stores, general food stores and exclusive liquor stores. In all other cities, villages and boroughs the number of "Off sale" licenses to be issued therein shall be determined by the local governing body. In all cities, villages and boroughs other than cities of the first class "Off sale" licenses shall be issued only to proprietors of drug stores and exclusive liquor stores. In any city, village, or borough of less than 1,000 population "Off sale" licenses may be issued to "On sale" licensees.

Sec.3. Minnesota Statutes 1949, Section 340.11, Subdivision 9, Section 340.602 and Section 340.61, are hereby repealed.

Approved April 24, 1953.

CHAPTER 696—S. F. No. 693

[Coded]

An act creating a state employees insurance board and repealing Minnesota Statutes 1949, Section 471.61, Subdivision 2.

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

Section 1. [15.35] State Employees Insurance Board. There is hereby created a State Employees Insurance Board of five members hereinafter called the board. This board shall consist of the governor, the state treasurer, the commissioner of insurance and two state employees who shall be elected by state employees in a manner to be fixed by the board. Pending the first election of members to the board the governor shall appoint two eligible state employees to serve on the board. Such appointment shall be made after consultation with representative groups of state employees. The persons so appointed shall hold office only until the first election of board members, but may be candidates in such election. One board member shall be elected biennially except that two members shall be elected at the first election. The term of one of the two members first elected shall terminate on the first Monday in March, 1954, and the term of the other so elected shall terminate on the first Monday in March, 1956. Members of the board to succeed the first two elected members shall be elected for terms of four years and until their successors are elected and qualified. A state employee on leave of absence shall not be eligible for election or reelection to membership on this board, and the term of any board member who is on leave of absence from state employment for more than six months shall automatically terminate upon the expiration of such period. Any vacancy in the board caused by the death, resignation or removal of any member so elected shall be filled by the board for the unexpired portion of the term in which the vacancy occurs.

Sec. 2. [15.36] Elective members, salaries. Elective members of the board shall be paid the sum of \$10 for attendance at any regularly called meeting of the board, to be paid out of general revenues from monies appropriated to the Commissioner of Insurance. Members of the board shall suffer no loss of salary or wages through service thereon. The board shall elect a chairman and a secretary from its members. The board shall, from time to time, establish rules and regulations for the administration, management and operation of the business authorized by this chapter.

Sec. 3. [15.37] Insurance of employees of state. Subdivision 1. The state, through the board, may insure its officers and employees, or any class or classes thereof, under a policy or policies of group insurance covering life, health, accident, surgical benefits, and hospitalization insurance, or any one or more of such forms of insurance. The premiums required from time to time to maintain such insurance in force shall be paid by its insured officers and employees, and the auditor shall deduct from the salary or wages of each officer

or employee who elects to become insured, on the officer's or employee's written order, the officer's or employee's share of such premiums, and issue his warrant therefor to the insurer.

Subd. 2. A like payroll deduction and remittance shall be made upon the written order of any such officer or employees who are, or become, subscribers under a contract with a non-profit hospital service plan corporation as defined by law.

Sec. 4. Minnesota Statutes 1949, Section 471.61, Subdivision 2, is hereby repealed.

Approved April 24, 1953.

CHAPTER 697—S. F. No. 753

[Coded]

An act to authorize all cities of the second class not operating under a home rule charter to issue certificates of indebtedness for emergency flood prevention and the repair and rehabilitation of public property.

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

Section 1. [465.64] **Flood emergency fund, cities second class.** There is hereby created in each city of the second class not operating under a home rule charter for the purpose of financing and paying for emergency flood prevention, repairs and rehabilitation and for the carrying out of contracts in connect therewith, a "Flood Emergency Fund," to be constituted and the monies therein used as hereinafter designated. The city council or governing body may include in its estimate of expenses for the levy of taxes and may levy taxes for such amounts for this fund as it may deem necessary. All money collected from such tax levy and all money realized from the sale of the certificates of indebtedness herein provided for, shall constitute this fund and no money shall be paid out of this fund for any purpose other than as set forth in the resolution authorizing the issuance and sale of certificates of indebtedness as provided in section 2 and for the redemption of certificates of indebtedness issued and sold in accordance with the provisions of this act. The city council or governing body of such city shall include in the tax levy a sufficient amount for the payment of interest on such outstanding certificates of indebtedness as it accrues and for the accumulation of a sinking fund for the redemption of such outstanding certificates of indebtedness at their maturity.