

any agency thereof shall advertise for bids for construction of any such building and for the provision of the necessary funds therefor, any of such cities in which the building is proposed to be located may submit a bid to provide the financing for such construction by the issuance of bonds as herein authorized, and for that purpose may by resolution of its council, prior to the submission of such bid, enter into a contract for the issuance and sale of such bonds in the event that the bid is accepted; and in such case the city need not comply with any statutory or charter provisions otherwise requiring it to advertise for bids for such construction or the purchase of such bonds.

Sec. 5. Security of bondholders. Any city issuing bonds under this act may by resolution of the city council enter into such covenants as the council shall determine to be necessary and reasonable for the security of the bondholders and for the purpose of marketing the bonds to the best advantage to the city, including, without limitation, a covenant that all revenues received from lease rentals hereunder shall be paid to a trustee for the bondholders and paid out only in accordance with the authorizing resolution.

Sec. 6. Authorized securities. Bonds issued under the provision of this act are hereby constituted "authorized securities" within the meaning and for the purposes of Minnesota Statutes 1953, Section 50.14, notwithstanding the restrictions in part (c) of Subdivision 4 thereof. All bonds issued under this act shall be exempt from all taxation. Interest paid on such bonds shall not be included in gross income for the purpose of computing any tax imposed by or under any provisions of Minnesota Statutes 1953, Chapter 290, or any act amendatory thereof or supplemental thereto.

Approved April 27, 1957.

CHAPTER 796—S. F. No. 1858

An act relating to school districts and limitations upon the tax levies thereof; amending Minnesota Statutes 1953, Section 275.12, as amended by Laws 1955, Chapter 645; repealing Minnesota Statutes 1953, Section 275.12, Subdivisions 3 and 4; and providing for issuance of certificates of indebtedness.

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

Section 1. Minnesota Statutes 1953, Section 275.12,

Subdivision 1, as amended by Laws 1955, Chapter 645, is amended to read:

275.12 Tax levy, schools; limits. Subdivision 1. The total amount of taxes levied by or for any school district in the state for all general and special school purposes including the county school tax of one mill, required to be levied by the statute, but exclusive of any state levy, income tax apportionment or other aids, shall not exceed in any year the greater of: (a) \$315 per resident pupil unit in average daily attendance in kindergarten and grades one to twelve, inclusive, plus the amount of any levies for bonds issued and interest thereon, such pupil units in average daily attendance to be computed in accordance with Minnesota Statutes 1953, Sec. 128.081, or (b) the following amounts per capita of the population of the district; in districts having a population in excess of 5,000 and operating schools in more than four villages or cities, the greater of \$540,000 or \$105 per capita; in districts not within the foregoing class but having a population in excess of 5,000, \$92 per capita, but not less than \$142,000 plus \$73 per capita; in districts having a population in excess of 2,750 and not more than 5,000, the greater of \$330,000 or \$108 per capita; in districts having a population of 2,750 or less, \$110,000 plus \$81 per capita. If the levy made by any district exceeds the amount permitted by clause (a) of this subdivision, but does not exceed the amount of the limitation contained in clause (b) hereof, at least \$3.50 per capita shall be set aside in a special fund known as the Building and Rehabilitation Fund, and shall be used only for the rehabilitation or reconstruction or modernization of school buildings by major repairs or changes therein, or for the payment of bonds or certificates of indebtedness issued for that purpose, not including ordinary current maintenance replacements or repairs; provided, that certificates of indebtedness issued for this purpose may be issued for a period of three years and shall become due and payable not later than three years after issuance and the amount of outstanding certificates issued hereunder shall not exceed at any one time an amount greater than \$10.50 per capita; provided, if the district has no buildings needing rehabilitation, reconstruction or modernization and the board shall adopt a resolution to that effect, the money in said fund may be used for other authorized school purposes.

Sec. 2. Minnesota Statutes 1953, Section 275.12, Subdivision 2, as amended by Laws 1955, Chapter 645, is amended to read:

Subd. 2. If the Revised Consumers Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics, for the City of Minneapolis, Minnesota (or

if no such Index is published for the City of Minneapolis, for the nearest city to Minneapolis for which such index is published), as of *January* 15th of any year (or for the date nearest to *January* 15th if no such Index is published as of *January* 15th), shall be above 119 (using the average for the years 1947-1949 as a base), the total maximum amounts which may be levied by any district, under subdivision 1, shall be increased by one percent for each point increase in said index above 119. For all purposes of this computation, a fractional point increase shall be disregarded if less than $\frac{1}{2}$ point, and treated as one full point if $\frac{1}{2}$ point, or more. No such additional amounts shall be levied under this subsection unless the board shall have adopted a budget for the ensuing year under which less than 35% of the total current expenditures of the district during said year will be for non-instructional costs. Within the meaning of this subdivision the expression "total current expenditures" means the total expenditures of the district during the year for all purposes other than bonds and interest thereon, improvements properly chargeable as capital outlay, transportation, health service, and that portion of the expenditures for special non-instructional activities which is recovered by charges or reimbursement collected therefor; the expression "non-instructional costs" means all that part of total current expenditures which is not expended for instructional salaries, including teachers and superintendents, text and library books, instructional supplies, and other costs of instruction as defined by the state department of education.

Sec. 3. **Repealer.** Minnesota Statutes 1953, Section 275.12, Subdivision 3 and Subdivision 4 are hereby repealed.

Sec. 4. Minnesota Statutes 1953, Section 275.12, Subdivision 5 is amended to read:

Subd. 3. In any district having a population under 6,000, until the 1960 federal census or a special census is taken, the permissible levy under sections 275.12 and 275.14 may be computed upon the greater of (a) the population shown by the 1950 or subsequent special census, or (b) the population base applicable to the 1952 levy.

Sec. 5. Minnesota Statutes 1953, Section 275.12, as amended by Laws 1955, Chapter 645, is amended by adding a new subdivision thereto to be numbered Subd. 4, reading as follows:

Subd. 4. Any such district which is operating under and subject to sections 471.71-471.83, or other laws prohibiting the incurring of obligations in excess of moneys available for the payment thereof, may issue its certificates of indebted-

ness in the year 1957 in an amount not exceeding 50% of the amount by which its permissible tax levy hereunder for purposes other than the payment of bonds or interest thereon for the year 1957 exceeds the amount levied in 1956 for purposes other than the payment of bonds or interest thereon. Such certificates shall be payable from within the limitations hereof in equal annual installments over a period of not exceeding four years beginning in the year 1958. The proceeds thereof may be used for authorized school purposes in the year 1957. Such power shall be in addition to any other power of issuing certificates of indebtedness under any other law.

Approved April 27, 1957.

CHAPTER 797—S. F. No. 1875

[Not Coded]

An act regulating the appointment and duties and fixing the compensation of court reporters for the district court of the fourth judicial district; amending Laws 1955, Chapter 570, Section 1.

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

Section 1. Laws 1955, Chapter 570, Section 1, is amended to read:

Section 1. **Hennepin county, court reporters, compensation.** Each judge of any judicial district in this state which comprises, or which may hereafter comprise, a single county now or hereafter having a population of 500,000 or more, may appoint a court reporter, who is well skilled in his profession and competent to discharge the duties required. He shall be a sworn officer of the court and hold his office during the pleasure of the judge appointing him. His annual salary is \$7,500, payable from the general revenue fund of the county comprised in such judicial district, on county auditor's warrants in equal semi-monthly installments.

The provisions of this section shall be retroactive to January 1, 1957, and shall expire June 30, 1959.

Approved April 27, 1957.
