

Sec. 4. **Witnesses, employees.** The commission may subpoena witnesses and records, and employ such assistants as it deems necessary to perform its duties effectively. It may do all the things necessary and convenient to enable it to perform its duties.

Sec. 5. **Cooperation.** The Revisor of Statutes and every other state agency shall cooperate with the commission in all respects so that its purpose may be accomplished. The commission shall use the available facilities and personnel of the Legislative Research Committee unless the commission by resolution determines a special need or reason exists for the use of other facilities or personnel.

Sec. 6. **Report.** The commission shall make a report to the legislature on or before January 15, 1959, setting forth its findings and recommendations for legislation.

Sec. 7. **Expenses.** The members of the commission shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.

Sec. 8. **Appropriation.** The sum of \$25,000 or so much thereof as may be necessary is hereby appropriated from the state treasury for the use of this commission in performing the duties imposed under the provisions of this act. For the payment of its expenditures, the commission shall draw its warrants upon the state treasurer, which warrants shall be signed by the chairman and one other member of the commission, and the auditor shall then approve and the treasurer pay such warrants as and when presented.

Approved April 29, 1957.

CHAPTER 947—S. F. No. 1840

[Coded]

An act relating to education; repealing Minnesota Statutes 1953, Sections 122.01 to 122.571, 123.01 to 123.25, 123.30 to 123.57, 124.01 to 124.10, 124.12 to 124.26, 125.01 to 125.09, 125.10 to 125.23, 125.41 to 125.43, 133.05, are repealed.

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

ARTICLE I.

Section 1. [122.011] Definitions. Subdivision 1. For the purposes of this act the words, phrases and terms de-

fined in this section shall have the meanings respectively ascribed to them.

Subd. 2. "Commissioner" means the commissioner of education.

Subd. 3. "District" means a school district.

Subd. 4. "Board" means a school board.

Subd. 5. "County board" means a board of county commissioners.

Subd. 6. "Superintendent" means superintendent of the school district involved.

Subd. 7. "County superintendent" means county superintendent of schools.

Subd. 8. "Department" means state department of education.

Subd. 9. "Auditor" means county auditor.

Subd. 10. "Survey committee" means county school survey committee.

Subd. 11. "Commission" means state advisory commission on school reorganization.

Subd. 12. A "common district" is any school district validly created and existing as a common school district or joint common school district at the effective date of this act, or any common school district hereafter organized as such as herein provided.

Subd. 13. An "independent district" is any school district validly created and existing as an independent, consolidated, joint independent, county or a ten or more township district at the effective date of this act, or any independent school district hereafter organized as such as herein provided.

Subd. 14. A "special district" is a district established by a charter granted by the legislature or by a home rule charter.

Subd. 15. An "associated district" is any school district validly created and existing as an associated school district at the effective date of this act or any two or more school districts which are hereafter organized into an associated school district as herein provided for the purpose of providing secondary education.

Subd. 16. "Unorganized territory" is the portion of a

county not included in organized districts, and includes territory heretofore ceded to the government of the United States. Unorganized territory is a public corporation.

Sec. 2. [122.021] Classes, number. School districts shall be classified as common, independent, special or associated districts, each of which is a public corporation. Each district shall be known by its classification and each shall be assigned a number by the commissioner so that its title will be school district number

ARTICLE II

Section 1. [122.111] Common or independent district.

Subdivision 1. A common or independent district may be organized from territory not included in a classified district if 100 or more children of school age between five and 21 reside within the proposed district and it contains an incorporated village or not less than four sections of land.

Subd. 2. A majority of the resident freeholders in the proposed district may petition the county board of the county in which the greatest land area involved lies to form a new common or independent district. The petition shall contain
(a) A correct description of the territory to be included in the proposed district, together with a plat thereof showing its size and boundaries and the location of adjoining districts with the school houses therein.

(b) The number of children of school age residing in the proposed district.

(c) The reasons for the formation of the proposed district and the classification desired.

(d) The assessed valuation of the proposed district, and the location of the nearest school houses.

(e) Such other information as the petitioners may desire to affix.

(f) A recommendation of the commissioner which shall be endorsed thereon, together with his comments, if any. This recommendation shall be advisory only and not binding for any purpose.

Subd. 3. The persons circulating the petition shall attach their affidavit thereto, swearing or affirming that the persons executing the petition were resident freeholders and signed in the presence of one of the circulators.

Subd. 4. The petition shall be filed with the county

auditor who shall present it to the county board at its next meeting. At the meeting, the county board shall fix a time and place for hearing the petition, which time shall be not more than 60 days and not less than ten days from the date of the meeting. The auditor shall cause one week's published notice of the hearing to be given in the county, and ten days' posted notice in the territory described in the petition.

At the hearing on the petition, the county board shall receive and hear any evidence for or against the proposed organization. The hearing may be adjourned from time to time.

Subd. 5. Within six months of the date of the filing of the petition, the county board shall issue its order either granting or denying the petition. If the petition is granted, the order shall particularly describe the district. The county board may modify the boundaries proposed in the petition by enlarging or decreasing the area. If the petition is granted, the auditor shall transmit a certified copy of the order to the commissioner who shall assign an identification number to the district and notify the auditor thereof within ten days after his receipt of the certified copy of the order.

Subd. 6. If the petition and order are for the organization of a common district, upon the receipt of the assigned identification number, the auditor shall determine a date not less than 20 nor more than 60 days from the date of the receipt by him of the assigned identification number, and a place for holding a meeting to organize the district. He shall cause ten days' posted notice of the meeting to be given in the district. The auditor shall call the meeting to order and act as temporary chairman of the meeting until the board has been elected. At the meeting, a chairman shall be elected to hold office until July 1 following the next annual election; the treasurer until one year from such date; and the clerk until two years from such date.

Subd. 7. (a) If the petition and order are for the formation of an independent district, upon receipt of the assigned identification number, the auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt by him of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: two until July 1 following the first annual election, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies according to

provisions of law governing the election of board members in independent districts.

(b) The auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election.

(c) The county may pay the election judges not to exceed \$1 per hour for their services.

(d) Any person desiring to be a candidate for a school election shall file an application with the auditor to have his name placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(e) The auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The auditor shall determine the number of voting precincts and the boundaries of each. He shall determine the location of polling places and the hours the polls shall be open. He shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(f) Upon canvass and tabulation, the auditor shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. He shall deliver such certificate to the person entitled thereto by registered mail, and each person so certified shall file an acceptance and oath of office with the auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill the vacancy has been taken.

(g) The board previously charged with responsibility for education in the territory included in the district shall continue to provide for the education of the children in the district until July 1 next following the election, but such board shall have power and authority only to make such contracts and do such things as are necessary to continue the education of the pupils for the duration of the current school term.

(h) It shall be the duty of the newly elected board to

meet forthwith and to organize, and on July 1 next to assume the full duties of the care, management and control of the district.

Sec. 2. [122.121] Associated district. Associated districts may be formed according to the provisions of Laws 1955, Chapter 862.

ARTICLE III

Section 1. [122.211] Detachment and annexation of land. Subdivision 1. The owner of land which adjoins any common or independent district, and whose land is not in a special district may petition the county board of the county in which the greater part of the area proposed for detachment and annexation lies to detach all or any part of his land together with the intervening lands as defined in subparagraph (b) below, from the district it now is in, and to attach it, together with such intervening land, to the adjoining district. For purpose of this section, land is adjoining a school district if:

(a) The boundary of the area proposed for detachment and annexation is the same as the district boundary to which attachment is sought at any point, including corners, or

(b) The area proposed for detachment and annexation is separated at any point from the district to which annexation is sought by not more than one-half mile and the intervening land is vacant and unoccupied or is owned by one or more of the following: The United States, or the State of Minnesota or any of its political subdivisions, or an owner who is unknown or cannot be found, or

(c) The area proposed by a land owner for detachment and annexation is adjoining (as defined in subparagraphs (a) and (b) above) any land proposed for detachment from and annexation to the same district in another pending petition.

Subd. 2. The petition shall contain:

(a) A correct description of the area proposed for detachment and annexation, together with such supporting data with regard to location and title to land as will establish facts conformable to subdivision 1 hereof.

(b) The reasons for the proposed change with facts showing that the granting of the petition will not reduce the size of any district to less than four sections, unless the district has not operated a school within the district during the

past two years immediately preceding the issuance of the petition.

(c) Consent to the petition, endorsed thereon at any time before the hearing by the board of the district from which the area is to be removed, if, at the time of the filing of the petition, any part of the area proposed for detachment is part of an unorganized territory or a district which maintains and operates a secondary school within the district or unorganized territory.

(d) An identification of the district to which annexation is sought.

(e) Such other information as petitioners may desire to affix.

(f) An acknowledgment by the petitioner.

Subd. 3. The petition shall be filed with the auditor who shall present it to the county board at its next meeting. At the meeting, the county board shall fix a time and place for hearing the petition, which time shall be not more than 60 nor less than ten days from the date of the meeting. The auditor shall forthwith serve notice of the hearing on each district directly affected by the petition, by mail addressed to the clerk. If any area affected by the petition is in another county, he shall mail a notice of hearing to the auditor of such county. He shall also give one week's published notice of the hearing in the county wherein the hearing is to be held, and ten days' posted notice in each school district affected. Such posted and published notice may combine pending petitions. At the hearing on the petition, the county board shall receive and hear any evidence for or against the petition. The hearing may be adjourned from time to time.

Subd. 4. Within six months of the time when the petition was filed, the county board shall issue its order either granting or denying the petition, unless all or part of the land area described in the petition is included in a plat for consolidation which has been approved by the commissioner in which event, no order may be issued while consolidation proceedings are pending. No order shall be issued which results in attaching to a district any territory not adjoining that district, as defined in subdivision 1(a). No order shall be issued which reduces the size of any district to less than four sections unless the district is not operating a school within the district. The order may be made effective at a deferred date not later than July 1 next following its issuance. If the petition be granted, the auditor shall transmit a certified copy to the commissioner.

Failure to issue an order within six months of the filing of the petition or termination of proceedings upon an approved consolidation plat, whichever is later, is a denial of the petition.

Subd. 5. Upon receipt by the commissioner of the order, he shall forthwith modify his records and any plats and petitions and proceedings involving districts affected by such order presently before him for action or record, to conform to the order.

Subd. 6. Upon the effective date of the order, the detachment and annexation ordered therein is effected, and all taxable property in the area so detached and annexed is taxable for payment of any school purpose obligations theretofore authorized by or outstanding against the district to which annexation is made. Such property is not by virtue of the order relieved from the payment of any tax levy theretofore made by the district from which it is detached, nor from the obligation of any bonded debt theretofore incurred to which it was subject prior to the order.

Sec. 2. [122.221] Dissolution and attachment. Subdivision 1. Any district, whether part of an associated district or not, may be dissolved and the territory be attached to other districts or become unorganized territory by proceeding in accordance with this section.

Subd. 2. Proceedings under this section may be instituted by:

(a) Resolution of the county board of the county containing the greatest land area of the district proposed for dissolution when such district has held no school within the district for two years and has made no provision for the education of its pupils for two years.

(b) Petition executed by a majority of the resident freeholders of the district proposed for dissolution addressed to the county board of the county containing the greatest land area of the district.

(c) Certification by the clerk of the district proposed for dissolution to the county board of the county containing the greatest land area of the district to the effect that a majority of votes cast at an election were in favor of dissolving the district.

Subd. 3. A resolution adopted pursuant to subdivision 2 (a) of this section shall contain findings of necessary juris-

dictional facts and shall set a date for hearing not less than ten nor more than 60 days from the date of the resolution.

Subd. 4. Petition executed pursuant to subdivision 2 (b) of this section shall be filed with the auditor and shall contain:

(a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory; and that petitioners are resident freeholders of the district.

(b) An identification of the district.

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. Such recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.

(d) The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are resident freeholders and that they signed in the presence of one of the circulators.

The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing not less than ten nor more than 60 days from the date of that meeting.

Subd. 5. Certification executed pursuant to subdivision 2 (c) of this section shall be filed with the auditor and shall contain:

(a) A copy of the resolution initiating the election.

(b) A copy of the notice of election with an affidavit of publication or posting.

(c) The question voted on.

(d) The results of the election by number of votes cast for and number against the question.

(e) If an advisory ballot is taken on annexation, the question voted on and number of ballots cast for and against the proposal.

Subd. 6. The auditor shall present the certification to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing not less than ten nor more than 60 days from the date of that meeting.

When a hearing is ordered under this section, the auditor shall have ten days' posted notice of the hearing in the district proposed for dissolution, one week's published notice in the county, and ten days' mailed notice to the clerk of the district proposed for dissolution and to the clerk of each adjoining district and to the commissioner. If all or any part of the district proposed for dissolution or any adjoining district lies in another county, the auditor shall forthwith, upon establishment of the hearing date, mail notice of the hearing to the auditor of each county so situated.

Subd. 7. No order dissolving a district may be issued by the county board if the district to be dissolved is included in a plat for consolidation which has been approved by the commissioner and upon which plat final action has not been taken unless all of the district to be dissolved and all of the district or districts to which attachment is proposed are included in the approved plat.

Subd. 8. Within 90 days of the date set for the original hearing or within 30 days of the termination of a consolidation proceeding which stays the order under subdivision 7, the county board may issue its order:

(a) Dismissing the proceedings.

(b) Interlocutory in character, proposing the dissolution of the district and the annexation of the territory to adjoining districts, or the entire district as a unit may be attached to and become part of a district which maintains a secondary school located within the same high school area, and there is no intervening district maintaining a secondary school.

(c) If no order is issued within the limited time, the proceedings are dismissed.

Subd. 9. An interlocutory order issued under subdivision 8 (b) of this section shall contain:

(a) A statement that the dissolution of the district is proposed.

(b) A description, by words or plat or both showing disposition of territory in district to be dissolved.

(c) A statement showing the proposed distribution of the current assets and liabilities of the district to be dissolved, real and personal. If the order provides for the transfer of an interest in real estate to a district, the order may also impose a dollar amount as a claim against that district in favor of

other districts which claim shall be paid and enforced in the manner provided by law for the payment of judgments against a district.

(d) The outstanding bonded debt of the district to be dissolved.

(e) A proposed effective date of the order not later than July 1 next following its issuance and not less than 45 days from date of the order.

(f) Such other information as the county board may desire to include.

The auditor shall within ten days from its issuance serve a copy of the interlocutory order by mail upon the clerk of the district proposed for dissolution and upon the clerk of each district to which it is proposed to attach any territory by the order and upon the auditor of each other county in which all or any part of the district proposed for dissolution or any district to which it is proposed to attach territory lies, and upon the commissioner.

Subd. 10. Within 45 days of the date of the interlocutory order, any district to which attachment of territory is proposed may, by resolution of the board, request an election in the area proposed for attachment on the question of assumption of debt in connection with that interlocutory order, such resolution shall contain:

(a) A request that an election be held in the area proposed for attachment, authorizing proportionate assumption of debt, or some specified part thereof, of the district requesting the election, and

(b) The total bonded debt, authorized and outstanding of the district requesting election, and

(c) The assessed valuation of the district requesting election. A copy of the resolution shall forthwith, upon issuance, be served by mail on the auditor of the county issuing the interlocutory order.

Failure to make and serve such resolutions within 45 days of the date of the interlocutory order is a consent to the terms of the order and a waiver of the requirement of debt assumption by the territory proposed for attachment.

Subd. 11. If the proceedings were instituted by petition, under subdivision 2 (b), or by election, under subdivision 2 (c), and an advisory recommendation was made in the petition or an advisory ballot taken at the election, as to annexa-

tion requested, and if the interlocutory order makes a different provision for annexation than requested, then the interlocutory order must be approved by a majority of those voting on the question at an election to be called in the district to be dissolved, under subdivision 13, the question voted on shall be:

"Shall the interlocutory order of the county board of County, dated proposing the dissolution of this school district be approved?"

Yes..... No.....

Subd. 12. If a resolution is made and served under provisions of subdivision ten within the time allowed, the auditor shall so advise the board of the district proposed for dissolution. In such case, an election shall be held in the district to be dissolved on the question of debt assumption, or if the district to be dissolved is divided, the board shall, in such case, establish voting precincts in each area in which debt is proposed for assumption. The voters in such precincts shall vote on the question: "Shall the taxable property in the area proposed for attachment to school district number assume a proportionate share of the bonded debt of such district in accordance with the resolution of the board of such district, dated , and on file with the auditor of County?" Yes..... No.....

Subd. 13. If an election is required under subdivision 11 or subdivision 12, then upon the expiration of the 45 day period allowed in subdivision 10 or upon receipt of a demand for election on the question of debt assumption from each district to which it is proposed to attach territory, whichever is sooner, the auditor shall set a date, not less than ten nor more than 20 days after such time upon which date a special election shall be held in the district proposed for dissolution.

Subd. 14. The results of each election shall be certified by the board to the auditor. If a majority of all votes cast on each question at the election approve the interlocutory order and favor the assumption of the debt, the interlocutory order becomes final and effective as of the date of the election or the date specified in the order whichever is later.

Subd. 15. If a majority of votes cast at an election held on any resolution are in the negative on the issue of debt assumption, the auditor shall forthwith certify such results to the clerk of the district which made the resolution voted upon. The district making the resolution under subdivision 10 may then within ten days make and serve upon the auditor a resolution of its board withdrawing its objection to the inter-

locutory order and consenting to its terms and consenting to the attachment of territory without debt assumption and cancelling its resolution under subdivision 10. The auditor shall present the resolution to the county board at its next meeting and at that meeting the county board may order its interlocutory order made final and effective.

Subd. 16. If a majority of votes cast at an election held on any resolution are in the negative on the issue of debt assumption, and if the resolution of waiver provided for in subdivision 15 is not filed within the time prescribed, or if a majority of votes cast on the question of approval of the interlocutory order are in the negative, the proceeds are dismissed and terminated and the interlocutory order becomes void and of no further effect for any purpose.

Subd. 17. If proceedings which were instituted under subdivision 2 (a) by the motion of the county board are terminated under subdivision 16, the county board may within 90 days thereafter, without notice, dissolve the district proposed for dissolution and attach its territory to the unorganized territory of the county in which the land lies. If there is no unorganized territory in such county, it shall be created for the purpose of providing for education of the inhabitants according to the laws regulating conduct of education in unorganized territory.

Subd. 18. The bonded debt of a district dissolved under provisions of this section shall be paid according to levies made therefor under provision of Minnesota Statutes, Chapter 475. The obligation of the taxable property in the dissolved district with reference to the payment of such bonded debt is not affected by this section.

Subd. 19. If a district which is also a part of an associated district is dissolved under this section, the associated status of the district terminates upon its dissolution.

Sec. 3. [122.231] Consolidation. Subdivision 1. Common or independent districts or parts thereof, including those constituting parts of an associated district or unorganized territory or any combination of the foregoing may consolidate into a single independent district by proceedings taken in accordance with this section. The proposed new district must contain at least 18 sections of land. A proposed new district must be composed of contiguous areas unless an entire district is to be part of a district which maintains a secondary school and there is no district intervening which maintains a secondary school.

Subd. 2. Acting on his own initiative or upon a resolu-

tion of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county superintendent of the county which contains the greatest land area of the proposed new district shall cause a plat to be prepared. The resolution or petition shall show the approximate area proposed for consolidation. If more than one request for a plat is received by a county superintendent and the requests involve parts of identical districts, he shall prepare a plat which in his opinion best serves the educational interests of the inhabitants of the districts or areas affected. The plat shall show:

- (a) boundaries of the proposed district, as determined by the county superintendent, and present district boundaries,
- (b) the location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,
- (c) other pertinent information as determined by the county superintendent.

Subd. 3. A supporting narrative statement to accompany the plat shall be prepared by the county superintendent. The statement shall contain:

- (a) The assessed valuation of property in the proposed district,
- (b) If a part of any district is included in the proposed new district, the assessed valuation of the property and the approximate number of pupils residing in the part of the district included shall be shown separately and the assessed valuation of the property and the approximate number of pupils residing in the part of the district not included shall also be shown.
- (c) The reasons for the proposed consolidation, "including a statement that at the time the plat is submitted to the commissioner of education, no proceedings are pending to dissolve any district involved in the plat unless all of the district to be dissolved and all of each district to which attachment is proposed is included in the plat,"
- (d) A statement showing that the jurisdictional fact requirements of subdivision 1 are met by the proposal,
- (e) Any other information the county superintendent desires to include,
- (f) The signature of the county superintendent.

Subd. 4. The county superintendent shall submit the plat and supporting statement to the commissioner and a true copy of each to the auditor of each county containing any land area of the proposed new district.

Subd. 5. Upon receipt of a plat and the supporting statement, each auditor shall immediately notify his respective county board. After such notification, and during the pendency of proceedings under the plat and supporting statement or for a period of six months, whichever is shorter, no action may be taken by the county board under any other law to modify the boundary of any district if any part of the district is included in an area proposed for consolidation.

Subd. 6. The commissioner shall, upon receipt of a plat, forthwith examine it and approve, modify or reject it. He shall endorse thereon his reasons for his actions and within 60 days of the date of the receipt of the plat, he shall return it to the county superintendent who submitted it. He shall furnish a copy of that plat, and the supporting statement and his endorsement to the auditor of each county containing any land area of the proposed new district. If land area of a particular county was included in the plat, as submitted by the county superintendent, and all of such land area is included in the plat as modified and approved, the commissioner shall also furnish a copy of the modified plat, supporting statement, and his endorsement to the auditor of such county.

Subd. 7. Upon receipt of an approved plat, the county superintendent shall forthwith notify the board of any independent district and the board of any common district maintaining a secondary school, all or part of whose land is included in the proposed new district, and the board for unorganized territory if such territory or part thereof is included in the plat.

Subd. 8. The board of such districts and the board for unorganized territory shall, within 45 days of the approval of the plat by the commissioner, either adopt or reject the plan as proposed in the approved plat. If the board of any such district or unorganized territory entitled to act on the petition rejects the proposal, the proceedings are terminated and dismissed. If any board fails to act on the plat within the time allowed, the proceedings are terminated.

Subd. 9. If each board entitled to act on the petition approves the petition and if land of no other districts is included in the proposed new district, the county superintendent shall, by order, declare the consolidation effective and shall set a date not later than July 1 next following the date of his

order when the changes proposed in the approved plat shall become effective. He shall forthwith submit a certified copy of his order to the commissioner, and to the auditor and to the clerk of each affected district.

Subd. 10. If an approved plat contains land area in any district not entitled to act on approval or rejection of the plat by action of its board, the plat may be approved by the residents of such land area within 60 days of approval of plat by commissioner in the following manner:

A petition calling upon the county superintendent to call and conduct an election on the question of adoption or rejection of the plat may be circulated in such land area by any person residing in such areas. Upon the filing of such petition with the county superintendent, executed by at least 25 per cent of the resident freeholders in each district or part of a district contained in such land area, the county superintendent shall forthwith call and conduct a special election of the electors resident in the whole land area on the question of adoption of the plat. Failure to file such petition within 60 days of approval of plat by the commissioner terminates the proceedings.

Subd. 11. Upon an election becoming callable under provisions of subdivision 10, the county superintendent shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the area, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election.

Subd. 12. The county superintendent shall determine the date of the election, the number and boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. He shall provide official ballots which shall be used exclusively. He shall appoint three election judges for each polling place who shall act as clerks of election. The county may pay these election judges not to exceed \$1 per hour. The ballots and results shall be certified to the county superintendent who shall canvass and tabulate the total vote cast for and against the plat.

Subd. 13. If a majority of the votes cast on the question at the election approve the consolidation, and if the necessary approving resolutions of boards entitled to act on the plat have been adopted, the county superintendent shall, within ten days of the election, issue his order setting a date not later than July 1 next following the election for the effective date of the change. He shall mail or deliver a copy of such

order to each auditor holding a copy of the plat and to the clerk of each district affected by the order and to the commissioner. If the election fails, the proceedings are terminated and the county superintendent shall so notify the commissioner and the auditors and the clerk of each school district affected.

Subd. 14. Upon receipt of the order creating a new district, the commissioner shall forthwith, by order, assign an identification number to the new district and shall mail a copy of his order to the county superintendent and to each auditor who holds a copy of the plat.

Subd. 15. If no district is divided by virtue of the proceedings, all of the assets, real and personal, of the districts involved and all legally valid and enforceable claims and contract obligations of the districts pass to the new district. If a district is divided by virtue of the proceedings, upon receipt of the order of the commissioner, the auditor of the county containing the greatest land area of the new district shall present a copy of the plat and supporting statement and orders issued in the proceedings to the county board at its next regular meeting, together with such information as is available to him concerning the assets and liabilities not secured by bonds of each district, any part of which is included in the newly created district. Thereafter, within 30 days the county board shall issue its order providing for a division of the assets of the districts involved and apportioning and dividing these assets according to such terms as it may deem just and equitable. In making this division of assets and liabilities, the county board may consider the amount of bonded debt to be assumed by property in each area under the provisions of this section. If the order of consolidation transfers any real estate interest to the new district or to another district, the order apportioning assets and liabilities may impose a dollar claim on the district receiving the real estate in favor of any other district involved in an amount not exceeding the reasonable value of the real estate interest involved, which claim shall be paid in the manner provided by law for the enforcement of judgments.

Subd. 16. As of the effective date of the consolidation, all the taxable property in the newly created district is taxable for the payment of any bonded debt theretofore incurred by any component district in the proportion which the assessed valuation of that part of a pre-existing district which is included in the newly created district bears to the assessed valuation of the entire pre-existing district as of the time of the consolidation. This apportionment shall be made by the

county auditor and shall be incorporated as an annex to the order of the county board dividing the assets and liabilities of the component parts. This subdivision shall not relieve any property from any tax liability for payment of any bonded obligation but taxable property in the newly created district becomes primarily liable for the payment of bonded debts to the extent of the proportion stated.

Subd. 17. If all of the territory of one and only one independent district is included in the new independent district, the board of that previously existing independent district shall assume the duties and responsibilities of the board of the newly organized district for the balance of the term to which the members were elected. At the next annual school election the successors to the members whose terms then expire shall be elected by the legally qualified voters of the newly organized district. Thereafter, board members shall be elected according to the election procedure established for the election of board members in independent districts.

Subd. 18. (a) If no board is provided for under the foregoing provision, upon receipt of the assigned identification number, the county superintendent shall determine a date, not less than 20 nor more than 60 days from the date of the receipt by him of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: two until July following the next annual election, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts.

(b) The county superintendent shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election.

(c) The county may pay the election judges not to exceed \$1 per hour for their services.

(d) Any person desiring to be a candidate for a school election shall file an application with the county superintendent to have his name placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(e) The county superintendent shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county superintendent shall determine the number of voting precincts and the boundaries of each. He shall determine the location of polling places and the hours the polls shall be open. He shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county superintendent for tabulation and canvass.

(f) Upon canvass and tabulation by the county superintendent, he shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. He shall deliver such certificate to the person entitled thereto by registered mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) The board of each district included in the new enlarged district shall continue to maintain school therein until July 1 next following, but such boards shall have power and authority only to make such contracts and to do such things as are necessary to maintain properly the schools for the period they may be in session prior to said first day of July.

(h) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year and to enter into the necessary contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes and when authorized by the voters to issue bonds under the provisions of Chapter 475; and on said July 1 to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district.

Sec. 4. [122.241] State advisory commission on school reorganization. Subdivision 1. The state advisory commission on school reorganization as now constituted, is continued to consist of nine members. The term of the present members expires on July 1, 1959. As of that date, the state board of education shall appoint a qualified person to each vacancy on the commission, three members for a term of two years from July 1, 1959, three members for a term of four years from said July 1, and three members for a term of six years from said July 1, thereafter successors shall be appointed by the state board of education for a term of six years to hold office until a successor is appointed and qualifies. No more than three members of such commission shall be persons who are professionally engaged in education or employees of any district. Such commission shall elect a chairman from its membership. The commissioner shall be ex officio secretary and executive officer of the state commission. The state board of education is authorized to fill any vacancies which may occur in the membership of such commission. Members of such commission shall serve without compensation but may be reimbursed for necessary expenses. The state commission shall formulate aims, goals, principles, procedures of public school organization in Minnesota. The commission shall review the tentative reports of the several county school survey committees, and within 90 days after receipt thereof shall make suggestions to the respective committees concerning their reports as may seem appropriate, giving due consideration to the educational needs of local communities and economical transportation and administration, to the future use of satisfactory school buildings and sites, to the convenience and welfare of the pupils, to the ability of the several communities to support adequate schools, to equalization of educational opportunity and to any other matters which, in their judgment, seem to be advisable. On or before October 15 of each even numbered year, the commission shall report its activities and recommendations concerning school reorganization to the legislature.

Subd. 2. The county superintendent of each county may, and upon a petition executed by 15 percent of the members of school boards entitled to attend such meetings, shall call and hold a public meeting of all board members of school boards within the county. In case a district lies in more than one county the board members of such district shall attend the meeting in the county in which the school building or buildings thereof are situated, provided that in case the buildings in such district are situated in more than one county, then the board members in such district shall attend a meeting in the county in which the major portion of the area of such

district is located. The county superintendent shall give published notice of the time, place and purpose of such meeting at least ten days prior thereto, and by mail addressed to each board member in the county.

Subd. 3. At such meeting the county superintendent shall have the provisions of this section explained and shall afford an opportunity for discussion of the question of establishing a county survey committee. Upon such discussion a vote shall be taken on the question: "Shall a school survey committee be formed for County?" If a majority of the votes cast on the question are negative, the meeting is adjourned and no similar meeting may be called for a period of 12 months thereafter. If a majority of votes cast on the question are affirmative, proceedings shall be taken in accordance with the terms of this section.

Subd. 4. Upon an affirmative majority vote, as described in subdivision 3, the county superintendent shall divide the school board members into two groups, and shall appoint a chairman and a secretary for each group. One group shall consist of all the board members of districts maintaining graded elementary schools or secondary schools, hereafter called urban districts, and the other group shall consist of all the other board members, hereafter called rural districts. The meeting of the members from each of such groups shall be held immediately following the adjournment of the joint county-wide meeting, or the county superintendent may fix the time and place for and call the meeting of the members of each such group for some certain day not more than 30 days thereafter, and in such case, the county superintendent shall give at least five days' written notice thereof.

Subd. 5. At the first meeting of the rural members, five persons shall be elected to the county survey committee, one member for a one-year term, two members for two-year terms, and two members for three-year terms, to serve until a successor is elected and qualifies.

At the first meeting of the urban members, four persons shall be elected to the county survey committee, one member for a one-year term, one member for a two-year term, and two members for a three-year term. In these elections, voting by proxy shall not be allowed. Such nine committeemen shall constitute the committee. However, no district shall have more than one member on a survey committee, and if a county contains fewer school districts than the membership herein provided for, the survey committee shall be made up of such lesser number of members as may be necessary to comply with this limitation. None of the members of the survey committee

shall be persons who are professionally engaged in education or elected state or county officers, or who are employees of any district. The election of the members of the committee shall be by secret ballot and a majority vote of the districts represented shall be necessary to elect. The persons elected shall be certified by the chairman and the secretary of the group and the county superintendent.

Subd. 6. Annually thereafter, on the date of the regular annual county school officers' meeting in any county where-in a survey committee is organized, the county superintendent shall conduct a meeting of all school board members qualified to attend a first meeting, and shall divide the members present into urban and rural groups for the sole purpose of electing committeemen to fill vacancies on the school survey committee. At this meeting 25 percent of the membership constitutes a quorum. Persons elected at an annual meeting shall serve for a term of three years to serve until a successor is elected and qualifies. Election procedure at an annual meeting is as prescribed for a first meeting.

Subd. 7. In any county having a survey committee at the time of the adoption of this section, the term of office of each member expires on July 1, 1959, and within 30 days before that date in any such county the county superintendent shall call a meeting of school board members and shall divide the members attending in two groups, urban and rural and at such divided meeting the members shall elect a school survey committee to staggered terms as provided for a first meeting.

Subd. 8. Any survey committee may be dissolved on its own motion upon approval by the commission. At any time after such dissolution, a survey committee may be established by proceedings taken in accordance with this section for creation of a survey committee.

Subd. 9. The committee shall meet at the call of the county superintendent at a time and place within the county fixed by the county superintendent within ten days of the election. At its first meeting, the committee shall organize and shall elect one of its members as chairman and another of its members as vice-chairman. Annually, thereafter the committee shall elect a chairman and vice-chairman. The county superintendent ex officio, shall serve as executive secretary of said committee. Members of the committee shall serve without compensation but shall be reimbursed to the extent moneys are available for their actual expenses incurred in the discharge of their duties as members of the committee from county funds, as hereinafter provided. The county superinten-

tendent shall provide clerical assistance and supplies and other facilities for the committee to the extent that the same are available to his office.

The committee shall meet regularly on a day and at a time and place to be fixed by the committee. Special meetings of the committee may be called by the chairman and shall be called by the secretary upon request in writing signed by three members of the committee.

Subd. 10. The committee shall have power and it shall be its duty: (1) to study the school districts and unorganized territory of the county and their organization for the purpose of recommending desirable reorganization which in the judgment of the committee will afford better educational opportunities for the pupils and inhabitants of the county, a more equitable, efficient and economical administration of public schools and a more equitable distribution of public school revenues; in the course of its study, with the aid of the county superintendent, it shall assemble and keep current data relating to the schools of the county and their financial status, boundaries, organization, and other matters affecting their proposals and (2) to confer with school authorities and residents of the districts of the county, hold public hearings, and furnish to board members and to the public information concerning reorganization of districts in the county; and (3) to make reports of its study and recommendations, including a map or maps showing existing boundaries of districts and the boundaries of proposed or recommended districts, concerning the reorganization and financing of the districts of the county.

Subd. 11. When there are proposed districts which include territory in more than one county, the survey committee considering the proposal may appoint a subcommittee of three members to meet with a like subcommittee of each other survey committee affected. The committee considering the proposal may by resolution request the survey committee of an affected adjoining county to appoint a like subcommittee of three members to cooperate in the study of the proposal.

Subd. 12. When a proposed larger administrative district should extend into one or more counties and one or more of such counties have no survey committee, then the survey committee of the adjoining county in which a portion of such proposed district will lie may request the county superintendent of the county having no survey committee to call a meeting of the board members of the districts that logically belong in the proposed larger administrative district for the purpose of organizing a committee to represent the area in the county without an official committee which is proposed to be in-

cluded in the larger district. Within 20 days after receiving such request; the county superintendent shall call a meeting of the board members of the districts concerned.

The matter of establishing a committee of three members to represent the area and to work cooperatively with the sub-committee of the adjoining county in the preparation of a joint recommendation for the reorganization of school districts shall be presented to the board members of the districts affected. The question of establishing such a committee shall be submitted to the board members, and if a majority of the board members present and voting shall be in favor thereof, a committee of three members shall be elected.

The committee elected shall cooperate with the subcommittee of the adjacent county or counties in developing recommendations to be submitted to the survey committee of the adjacent county and it shall be submitted in the same manner as provided for regular survey committees, and the vote on the recommendation shall be in accordance with the provisions of this section.

Subd. 13. A survey committee may prepare a tentative report with recommendations and shall file the same in the office of the county superintendent, and furnish a copy thereof to each member of the boards in the county. No change shall be made in the tentative recommendations by the school survey committee for any proposed area until after completion of the hearings affecting that area. Fifteen copies of a tentative report shall be filed with the commissioner who shall forward a copy to each of the members of the state commission. The county superintendent shall cause to be published in the official newspaper of the county a summary of a tentative report prepared by the committee, and shall give one published notice of the filing of a tentative report, and that the same may be examined in his office, and shall fix a time not less than 15 days after the filing thereof with the county superintendent of the place at which any taxpayer or resident of the area desiring to be heard with reference to the report or any part thereof may appear before the committee.

Subd. 14. Upon the date so fixed by the county superintendent and such subsequent dates as may be necessary, the committee or sub-committee thereof shall hold public hearings at which residents or taxpayers of the area affected shall be afforded an opportunity to appear before the committee and be heard with reference to any tentative report. At the hearing, the committee shall explain the benefits and advantages and any disadvantages resulting from the reorganization of the district as the same appear to the committee. Any tax-

payer or resident of the area or any affected district shall be heard with reference to the reorganization of any such district. At its hearing, the committee shall also receive and consider such suggestions as may be made by the state commission concerning the committee's tentative report and the recommendations made therein.

Subd. 15. Within six months after the filing of a tentative report, a final report of the committee with recommendations and with a map or maps showing the boundaries of the present school districts in the county and the boundaries of the proposed school districts in the county shall be filed with the county superintendent who shall cause to be published in the official newspaper of the county a summary prepared by the committee of its final report. Fifteen copies of such report shall at the same time be filed with the commissioner and a copy thereof shall be furnished to each school board member in the county by the county superintendent. The report shall be available for the public inspection in the office of the county superintendent and the office of the commissioner.

The survey committee may amend its final report at any time within 60 days after it has been filed with the county superintendent by filing a copy of the amendment with the county superintendent. The amendment shall be published and served in the same manner as the final report.

Subd. 16. The board of any district affected by recommendation of any final report or amendment thereto may by resolution appeal to the state commission by filing with the secretary of the commission a written brief of its grievances, a copy of which shall be filed with the survey committee in the county or counties affected. Such appeal must be made within 70 days after the filing of the final report. Upon the filing of such brief, the state commission shall provide for a hearing within 45 days before a board of appeal to be selected by the state commission. The board of appeals shall consist of five persons who are not residents of the county or counties affected but who shall come from the section of the state affected. It shall be the duty of such board of appeals to consider the facts of the case at the hearing which may adjourn from time to time and to render a decision within 30 days of the first day of the hearing on appeal. The secretary of the commission shall give ten days' notice of a hearing before the appeals board to each district affected, and to the county survey committee by mail addressed to the clerk thereof and any affected district may appear by counsel at the hearing. The county survey committee may appear at the hearing by counsel retained for the purpose at the expense of the county.

A copy of the decision shall be furnished each affected district, the survey committee of the county or counties affected, and the state commission. The survey committee shall make any changes necessary to incorporate the findings of the board of appeal in the proposal which is to be submitted to the voters. Members of the board of appeals shall be entitled to compensation of \$10 per day, plus sustenance and traveling expenses, which together with necessary clerical help, shall be paid 50 percent from state funds and 50 percent from the funds of the district or districts initiating the appeal.

Subd. 17. Within 30 days after the receipt by the survey committee of the decision of the appeal board if an appeal is taken under the provisions of subdivision 16, or if no appeal is taken from a final report, within five days of the expiration of the time allowed for such appeal, the county superintendent shall call a special election on the question of approving the reorganization of districts as proposed in the final report. The election shall be held not less than 20 nor more than 30 days from the time of the call by the superintendent. The election notice shall be by one week's published notice in the county and by ten days' posted notice of election in each school district affected.

Subd. 18. The county superintendent shall establish voting precincts and determine polling places in such a manner that the electorate of each new proposed district may have its total vote counted separate and distinct from each other new proposed district.

If any districts maintaining a graded elementary school are located within any such proposed district or territory, then one or more voting precincts shall be established wholly within the limits of such urban districts and one or more voting precincts shall be established wholly within that part of the district or territory lying outside the limits of such urban districts, and the proposition to reorganize such district shall not be deemed to have received a majority of the votes cast on the proposition or to carry, unless a majority of the votes cast within such urban districts and a majority of the votes cast in such territory outside of such urban districts, the county to be taken separately, each are in favor of establishing such school district. When one or more districts maintaining graded elementary and secondary schools are included in a recommendation the votes shall be counted separately in each district and unless a majority of the votes cast in each such district is in favor of the proposition to reorganize the proposal fails.

Subd. 19. The county superintendent, with the approval of the survey committee, shall determine the date of the election, the number of voting precincts, the polling places where such voting shall be conducted and the hours the polls will be open. Whenever possible the election shall be held in the school building of the school districts included in the proposal. The polls shall be open for at least two hours, and may be open for a longer period, not to exceed 12 hours, if so designated in the posted and published notices. The county superintendent, with the approval of the survey committee, shall appoint three election judges for each polling place, who shall be board members if they are available. The judges shall act as clerks of election, and canvass the ballots cast and thereafter submit the same to the survey committee.

The ballots used at the election shall read substantially as follows:

"Shall independent school districts number,,, and common school districts number,,, and unorganized territory of county described generally as follows be reorganized into independent school districts according to the recommendations contained in the final report of the county survey committee filed with the county superintendent of schools on the day of , 19

Yes.....

No....."

Subd. 20. If an election held pursuant to this section rejects the recommendations of the survey committee, the survey committee may order the county superintendent to call and conduct another election on the same final report and additional elections on the same final report. Subsequent elections on one final report shall be called and conducted as provided in this section for initial elections.

Subd. 21. If an election held pursuant to this section rejects the recommendations of the survey committee the survey committee may amend its final report and refile it as amended with the county superintendent and upon such filing of the amended final report, proceedings shall be had thereon as on a final report made and filed under subdivision 15 of this section.

Subd. 22. A final report of a survey committee may recommend the assumption of all or any part of the bonded indebtedness of any district, any part of which is included in a new district, by the new district. If such recommendation

is contained in the final report, the vote of the electorate in favor of the reorganization is a vote to assume the indebtedness in an amount and to the extent indicated in the final report. This subdivision shall not relieve any property from any tax liability, for the payment of any bonded obligation, but taxable property in the newly created district becomes primarily liable for the payment of bonded debts to the extent indicated in the final report.

Subd. 23. If a majority of the votes cast at the election be for reorganization, the county superintendent, within ten days thereafter, shall certify the results of the election to the commissioner and transmit a copy to the auditor of each county in which any part of the district affected lies, and to the clerk of each district affected. Upon receipt of the order, the commissioner shall forthwith assign identification numbers to the new districts created by reorganization and shall by order determine a date not more than 90 days from the date of the election when the reorganization becomes effective. He shall advise the county superintendent and the appropriate auditor, and the clerk of each district affected of such assigned number and effective date.

Subd. 24. If a reorganization is approved by the voters the auditor shall present the final report to the county board at its next regular meeting, together with such information as is available to him concerning the assets and liabilities not secured by bonds of each school district, any part of which is included in a newly created district. At this meeting, the county board shall make a division of the assets of the districts involved and shall apportion and divide assets according to such terms as it may deem just and equitable. The county board shall also make such assignment of all liabilities and obligations not secured by bonds as it may deem just and equitable. In arriving at a distribution of the assets and liabilities, the county board may consider the arrangements made for transfer of bonded debt if any is made in the final report. If title to real estate is affected, a copy of the resolution shall be filed with the proper register of deeds at the expense of the county wherein the land lies. The resolution shall be effective as a conveyance and transfer of any interest in any property, real or personal, according to its terms.

If the order transfers any real estate to the new district or to another district, the order may impose a dollar claim on the district receiving the real estate in favor of any other district involved which claim shall be paid in the manner provided by law for the enforcement of judgments.

Subd. 25. When two or more existing districts or parts

of districts, however organized, including a common, independent or special district, or unorganized territory are reorganized into a larger school district, the reorganized district shall thereby become an independent school district.

In case of the reorganization of two or more districts or parts of districts into a larger district, any portions or parts of divided districts which have less than four sections of land shall be attached to one or more adjoining districts by the board of county commissioners upon due notice and hearing.

The county auditor shall give ten days' posted notice of the hearing in the area to be attached and shall deliver a copy of the notice of hearing to the clerk of each district adjoining the area at least 30 days prior to the date set for the hearing. If any adjoining district by resolution of its board, a copy of which is served on the county board before the hearing, demands that area to be attached assume a proportionate share of the bonded debt of the demanding district, then if the order of the county board attaches any land area to such district, the taxable property in such area assumes its proportionate share of the authorized and outstanding bonded debt of the district to which it is attached.

Subd. 26. (a) Upon receipt of the assigned identification number, the county superintendent shall determine a date, not less than 20 nor more than 30 days from the date of the receipt by him of the assigned identification number, or if the assigned identification number is received by the county superintendent during the 60 days immediately preceding the third Tuesday in May, he shall set that date, upon which date shall be held a special election in each new district for the purpose of electing a board of six members for terms as follows: Two until July 1 following the next annual election, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies.

(b) The county superintendent shall, with the consent of the county board determine the hours the polls shall be open, and the number and location of the voting precincts and the polling places therein. He shall appoint three election judges for each polling place and provide the official ballots. The election judges, who shall serve as clerks of the election, shall return all marked ballots with a certificate of the results of the precinct election to the county superintendent for canvass and tabulation.

(c) The county superintendent shall give ten days' posted notice of election in the district in which the election

is to be held and also if there be a newspaper published in the district, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election.

(d) The county board may pay the election judges not to exceed \$1 per hour for their services.

(e) Any person desiring to be a candidate for a school district office at this election shall file with the county superintendent an application to be placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(f) The county superintendent shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election.

(g) Upon canvass and tabulation, the county superintendent shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. He shall deliver such certificate to the person entitled thereto by registered mail and each person so certified shall file an acceptance and oath of office with the auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill the vacancy has been taken.

(h) The board of each district included in the new enlarged district shall continue to maintain school therein until July 1 next following, but such boards shall have power and authority only to make such contracts and to do such things as are necessary to properly maintain the schools for the period they may be in session prior to said first day of July.

(i) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year and to enter into the necessary contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes and when authorized by the voters to issue bonds under the provisions of chapter 475; and on said July 1 to assume the full duties of the care, management and control of the new enlarged school district. The board of the new enlarged district shall give due consideration to the feasibility

of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged districts.

Subd. 27. The county board shall and is hereby authorized to levy sufficient taxes in excess of existing limitations to defray expenses payable by the county under provisions of this section.

Sec. 5. [122.251] Common district to independent district. Subdivision 1. If six or more resident freeholders of a common district desire to change the organization of their district to an independent district, they may call for a vote upon the question at the next annual meeting by filing a petition therefor with the clerk. In the notice for the meeting, the clerk shall include a statement that the question will be voted upon at the meeting.

Subd. 2. At the annual meeting, if a majority of the votes cast on the question favor the conversion to an independent district, a board of six members shall be elected. Nominations may be made from the floor of the meeting and election shall be by secret ballot. All board members elected at this meeting shall serve for terms expiring on the third Tuesday in May next following the election on which date a regular annual election shall be held in the manner provided by law. At this first annual election for independent districts, six directors shall be elected, two to hold office until July 1 following the next annual election, two to hold office until the expiration of one year from said July 1 and two to hold office until the expiration of two years from said July 1; the time which each director shall hold office being designated on the ballot.

Subd. 3. If the organization of the district is changed from common to independent at the meeting, the clerk shall forthwith notify the auditor and the commissioner.

Upon receipt of such notification, the commissioner shall forthwith assign a new identification number to the district and shall notify the auditor and the clerk of the district thereof.

Subd. 4. As of the date of election, if a majority of votes cast on the question favor the conversion to an independent district, the classification of the district is changed from common to independent. Title to all the property, real and personal, of the common district passes to the independent district and all current outstanding contractual obligations, in-

cluding the bonded indebtedness, if any, of the common district, together with any legally valid and enforceable claims against the common district are imposed on the independent district.

Subd. 5. Upon receipt of the identification number from the commissioner, the clerk of the district shall record such change of number with the register of deeds in any county in which the common district owns any real estate.

Sec. 6. [122.261] Special district to independent district. Subdivision 1. If the people of a special district desire to change their organization to an independent district they may proceed in accordance with this section.

Subd. 2. The governing body of any special district, may, and upon the filing of a petition with the clerk of the district executed by at least 200 of the qualified voters of the district shall, by resolution, order a vote to be taken on the question of such conversion at a special election called for the purpose not less than 15 nor more than 60 days from the date of the resolution. The special election notice shall specify the question to be voted on and shall be given one week's published notice and ten days' posted notice in the district.

Subd. 3. If a majority of the votes cast at the election on the question approve the proposed conversion, the clerk of the district shall forthwith certify the results to the commissioner who shall, by order, assign an identification number to the district and determine a date not later than July 1 next following the election for the effective date of the change.

Subd. 4. If the special district is governed by a board of education, such board shall continue to hold office until the next annual election for independent districts, to be held under the provisions of law governing annual elections, at which election seven members of the independent district shall be elected, three for a one-year term, two for a two-year term and two for a three-year term until successors are elected and qualify.

Subd. 5. If a district is divided into separate election districts at the time of its conversion under this section such districts shall be continued and the board before the election of a new board shall specify the terms as one, two or three years to which members from each district shall be elected at the first election or the board may by resolution declare that members shall be elected at large.

Subd. 6. As of the effective date of the conversion effected under this section, all special laws and charter provi-

sions relating to the converted district are repealed and the organization, operation, maintenance and conduct of the affairs of the district shall be governed by general laws relating to independent districts.

Subd. 7. As of the date of the election, if a majority of votes cast on the question favor the conversion to an independent district, the special district is dissolved and a new independent district is created. Title to all of the property, real and personal, of the dissolved district passes to the independent district and all current outstanding contractual obligations, including the bonded indebtedness, if any, of the special district, together with any legally valid and enforceable claims against the dissolved district are imposed on the new independent district.

Subd. 8. In any municipality where an existing pension law is applicable to employees of a special district such law shall continue to be applicable to the same extent to employees of the successor district.

Subd. 9. In any municipality where existing civil service provisions of any law or charter are applicable to special district employees, such provisions shall continue to be applicable in the same manner and to the same extent to employees of the successor district.

Such districts shall contract with the cities in which located for such facilities as are furnished by the civil service bureau, and unless the board and city governing body each adopt a resolution declaring that a particular function would be most efficiently and effectively handled separately, the board shall contract on a pro rata cost basis with the city for such facilities and services as are provided by the purchasing department comptroller, legal department and other services supplied by such cities, provided, however, that the board may contract for other legal services when the interests of such district and such city are in conflict in any legal matter and provided further that such board may contract for architectural services for the planning and construction of new school buildings when funds have been made available for construction of such school buildings.

ARTICLE IV

Section 1. [122.311] Common school districts; meetings, elections. Subdivision 1. The annual meeting of all common districts shall be held on the last Tuesday in June, at eight o'clock p.m., unless a different hour has been fixed at the preceding annual meeting, upon ten days' posted notice

given by the clerk, and specifying the matters to come before such meeting; but failure of the clerk to give such notice, or to specify the business to be transacted thereat, shall not affect the validity of any business, except the raising of money to build or purchase a school house, the authorizing of an issue of bonds, the fixing of a school house site, or the organization as an independent district. At the annual meeting in a common district five legal voters shall constitute a quorum. The chairman and clerk of the board shall officiate in their respective capacities at all meetings of the electors of the district. In the event of the absence of the chairman or clerk, the voters shall elect a chairman or clerk pro tem. The voters shall have the power in an annual meeting to repeal and modify their proceedings. The polls at all meetings shall be open at least one hour.

Subd. 2. The annual meeting shall have power to elect by ballot officers of the district. In all elections or vote by ballot, the clerk shall record the names of all voters participating therein and the chairman shall appoint two electors, who, with the assistance of the clerk shall supervise the balloting and canvass the votes.

Subd. 3. Any person desiring to be a candidate for a district office at the annual meeting of the district shall file with the clerk of the district an application to be placed on the ballot for such office, or any five voters of the district may file such application for or on behalf of any qualified voter in the district that they desire shall be such candidate. The application shall be filed not less than 12 days before the annual school district meeting. The clerk of the district, in his notice of annual meeting, shall state the names of the candidates for whom applications have been filed; failure to do so shall not affect the validity of the election thereafter held. At the annual meeting of common districts, nomination of candidates for offices may be made from the floor by any qualified voter.

Subd. 4. The clerk shall prepare, at the expense of the district, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for such office, with a blank space after such names, such ballots shall be marked and signed as official ballots, and the ballots so prepared by the clerk of the district shall be used to the exclusion of all other ballots at such annual meeting or election in the election of officers of the district.

Subd. 5. At the first meeting of each district, the chairman shall be elected to hold office until July 1 following the next annual meeting. The treasurer, until one year from such date, and the clerk until two years from such date.

Subd. 6. A board member elected at an annual meeting upon notice from the clerk, shall, on or before the first Saturday in July, file with the clerk his acceptance of the office and his official oath. Any person appointed by the board or elected at a special meeting to fill a vacancy shall file in writing his acceptance of the office and his official oath within ten days after notice of such appointment or election by the clerk. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing, if made at any time before action to fill the vacancy has been taken, shall be sufficient.

Subd. 7. Upon the filing of a petition therefor, executed by five resident freeholders of the common district, specifying the business to be acted upon, or upon the adoption of a proper resolution, so specifying, signed by a majority of the members of the board, the clerk shall forthwith call a special meeting of the district upon ten days' posted notice and one week's published notice, if there be a newspaper printed in such district and specify in such notice, the business named in such request or resolution and the time and place of the meeting. If there be no clerk in the district or if he fails for three days after receiving such request or resolution to give notice of such meeting, it may be called by like notice by five freeholders qualified to vote of the district. No business except that named in the notice shall be transacted at such meeting. If there are not five voters who are freeholders in the district, or if there is not a board therein, the county superintendent may call a special meeting by giving notice thereof as provided in this section. The voters at a special meeting have power to repeal or modify their proceedings.

Sec. 2. [122.321] Boards of common school districts. Subdivision 1. The care, management and control of a common district is vested in a board of three members to be known as the school board. The term of office of a member shall be three years, and until his successor qualifies. The board of each common district shall consist of a chairman, a treasurer, and a clerk. The board may by resolution establish a time and place for regular meeting and no notice of such meeting need be sent to any members of the board.

Subd. 2. The board shall submit to the annual meeting an estimate of the expenses of the district for the coming year for a school term as determined by the board and for such other specified purposes as the board may deem proper and, if such meeting shall fail to vote a sufficient tax to maintain a school for such time; the board shall levy such tax; but no board shall expend any money or incur any liability for

any purpose beyond the sum appropriated by vote of the district for such purpose, or levied by the board pursuant to this subdivision, or on hand and applicable thereto.

Subd. 3. A vacancy in any board occurs when a member (a) dies, or (b) resigns, or (c) ceases to be a resident of the district, or (d) is unable to serve on such board and attend its meetings for not less than 90 days because of illness or prolonged absence from the district.

Subd. 4. A vacancy caused by a member being unable to serve on such board and attend its meetings for not less than 90 days because of illness or prolonged absence from the district, may, after the board has by resolution declared such vacancy to exist, be filled by the board for the remainder of the unexpired term, or until such ill or absent member is again able to resume his duties as a member of such board, whichever date is earlier. When such ill or absent member is again able to resume his duties as a member of the board, the board shall by resolution so determine and declare such person to be again a member of the board, and the member appointed by the board in his place to be no longer a member thereof.

Subd. 5. Any other vacancy in a board shall be filled by the board at any regular meeting thereof or by a special meeting called for the purposes until such vacancy can be filled by election at the next annual meeting or election. Such appointment shall be evidenced by a resolution entered in the minutes. All elections to fill such vacancies shall be for the unexpired term.

Subd. 6. A majority of the voting members of the board shall constitute a quorum. No contract shall be made or authorized, except at a regular meeting of the board or at a special meeting at which all members are present or of which all members have had notice. Special meetings of the board may be called by the chairman or any member upon notice mailed to each member at least three days prior thereto.

Subd. 7. The board shall superintend and manage the schools of the district; adopt, modify, or repeal rules for their organization, government, and instruction and for the keeping of registers; and prescribe textbooks and courses of study.

Subd. 8. The board shall make and, when deemed advisable, change or repeal rules relating to the organization and management of the board and the duties of its officers.

Subd. 9. The board shall visit each school at least once every three months.

Subd. 10. The clerk or secretary, treasurer, and superintendent of any district shall receive such compensation as may be fixed by the board. The other members of the board shall receive such compensation as may be fixed by the board but not to exceed \$5 per diem nor more than \$75 a year. All members of the board may receive reimbursement for transportation at the rate provided for in Minnesota Statutes 1953, Section 350.11.

Subd. 11. The district shall pay the necessary expenses of the board, including \$5 per day for attending one meeting of the boards of the county in each year, when called by the county superintendent, and mileage according to section 350.11.

Subd. 12. The board, by a two-thirds vote, may become a member of the Minnesota School Board Association and appoint one or more of its members to attend its annual meeting. The amount of annual membership dues in the association and actual and necessary expense incurred in attending such meeting shall be paid as other expenses of the district are paid.

Subd. 13. The board of any district may become a member of the county school officers' association of the county and shall appoint one or more of its members to attend the annual meeting thereof. The amount of the annual membership dues in such association shall not exceed \$2, which amount shall be paid as other expenses of the district are paid.

Sec. 3. [122.331] Officers of common school districts.
Subdivision 1. The chairman, when present, shall preside at all meetings of the board and of the district; countersign all orders upon the treasurer for claims allowed by the board; represent the district in all actions and perform all the duties usually incumbent on such officer.

In case of absence, inability, or refusal of the clerk to draw orders for the payment of money authorized by a vote of the majority of the board to be paid, the orders may be drawn by the chairman, and paid by the treasurer, a statement thereof, with a copy of such orders, being delivered to the clerk by the treasurer, or the office of the clerk may be declared vacant by the chairman and treasurer and filled by appointment.

Subd. 2. The treasurer shall receive and be responsible for all money in the district and disburse the same on orders signed by the clerk and countersigned by the chairman, or other vouchers authorized by law; provided, that, in the event that the chairman has been continuously absent from the district for a period of 30 days or more, the treasurer may pay

orders without the signature of the chairman. Each order shall state the fund on which it is drawn, the name of the payee, and the nature of the claim for which such order is issued and shall be so drawn that when signed by the treasurer in an appropriate place, it becomes a check on the school district depository. He shall keep an account of each fund, and of all receipts and disbursements showing the sources of all receipts and the nature and purpose of disbursements.

Subd. 3. Within three days preceding the last Tuesday in June, the treasurer shall file with the clerk, a report of his balances, receipts and disbursements by funds, for the year. Such report, together with his vouchers, shall be examined by the board and, if found correct, approved by resolution entered in the records. If incomplete a further or amended report may be required by the board. He shall make such further reports as may from time to time be called for by the board and perform all duties usually incumbent on such officer.

Subd. 4. Every order drawn for the payment of teachers' wages and for any other lawful purpose, after having been presented to the treasurer for payment, and not paid for want of funds, shall be endorsed by the treasurer by putting on the back thereof the words, "Not paid for want of funds," giving the date of indorsement and signed by the treasurer. A record of such presentment, nonpayment and indorsement, shall be made by the treasurer. Every such order shall bear interest at the rate of five percent per annum from the date of such presentment, and shall be paid in the order in which it is so presented and registered out of the first money received by the treasurer applicable to its payment; provided, that the district may enter into agreements with banks to take such orders at any rate of interest lower than the legal rate. The treasurer shall serve a written notice upon the payee or his assignee, personally or by mail, when he is prepared to pay such order; such notice may be directed to the payee or his assignee at the address given in writing by such payee or assignee to such treasurer, at any time prior to the service of such notice; no order shall draw any interest if such address is not given when the same is unknown to the treasurer, and no order shall draw any interest after the service of such notice.

Subd. 5. Every district treasurer shall give a corporate surety bond to the state, the board to fix the specific amount of the bond in an amount that will protect the interest of the district and pay the premium therefor, and the bond to be approved by the board and conditioned for the faithful discharge of his official duties. The board may, at any time

by a majority vote, require the treasurer to give a new or an additional bond and upon his failure to furnish same within a reasonable time after notice, the board shall declare the office of treasurer vacant. Any bond hereunder, before approval by the board, shall be approved as to its form by the public examiner, county attorney, or an attorney designated by the school board. All such bonds shall be filed with the auditor and the auditor shall not deliver any warrants for tax settlements or state aids until such bond has been filed.

Subd. 6. When the duty devolves upon any person employed by a board to receive money and pay it over to the treasurer of the district, the district shall require a bond from such person and pay all premiums therefor. The amount of each bond shall be fixed by the board and the bond approved by it. The bond shall be not less than \$500 conditioned for the faithful performance of his duty and shall be filed with the clerk. In lieu of individual bonds the district may prescribe and keep in effect a schedule or position insurance policy or blanket bond in such aggregate amount as the district determines insuring the fidelity of such persons in the amount of not less than \$500 for each such person.

Subd. 7. The clerk shall keep in books provided for that purpose a record of all meetings of the district and the board. He shall within three days after the meeting, notify all persons elected upon any board, or as officers of any district, of their election and, on or before July 10 in each year, make and transmit to the county superintendent a certified report, showing:

1. The condition and value of school property;
2. The receipts and disbursements in detail, and such other financial matters as may be called for by the commissioner;
3. The length of school term and the enrollment and attendance by grades;
4. The names and post-office addresses of all board members and officers; and
5. Such other items of information as may be called for by the state commissioner.

He shall enter in his record book copies of all his reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished him by a clerk pro tem, and keep an itemized account of all the expenses of the district. He shall report to the county superintendent the time of commencement of each term at least two weeks in advance. He shall furnish to the auditor of the

proper county, on or before October 10 of each year, an attested copy of his record, showing the amount of money voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers or for teachers' wages, to be countersigned by the chairman. Such orders shall state the consideration, payee and fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 4. [122.341] General powers of common school districts. Subdivision 1. The board shall have the general charge of the business of the district, the school houses, and of the interests of the schools thereof.

Subd. 2. It shall be the duty and function of the district to furnish school facilities to every child of school age residing in any part of the district. It shall establish and organize, and alter and discontinue, such grades or schools as it may deem advisable and assign to each school and grade a proper number of pupils; provided, that where a board discontinues grades or schools it shall make provision for the instruction of pupils of such grades or schools.

Subd. 3. The voters of the district may authorize the issuance of bonds of the district in accordance with the provisions of Minnesota Statutes, Chapter 475.

Subd. 4. The board shall employ and contract with necessary qualified teachers and discharge the same for cause.

Subd. 5. The board may provide library facilities as part of its school equipment according to the standards of the state board of education.

Subd. 6. The board may establish and maintain public evening schools and adult education programs as a branch of the public schools, and such evening schools and adult education programs when so maintained shall be available to all persons over 16 years of age who, from any cause, are unable to attend the full time school of such district.

Subd. 7. The board may purchase all necessary books and school supplies for indigent pupils.

Subd. 8. The board shall furnish free textbooks to all pupils.

Subd. 9. The board may furnish school lunches for pupils and teachers on such terms as it determines.

Sec. 5. [122.351] Schoolhouses and sites, common school districts. Subdivision 1. When authorized by the voters at a regular meeting or at a special meeting called for that purpose, the board may acquire necessary sites for school houses, or enlargements or additions to existing school house sites, by lease, purchase, or condemnation under the right of eminent domain; lease, erect or purchase garages for district-owned school buses; and sell or exchange school houses or sites and execute deeds of conveyances thereof. It may acquire by lease, purchase, or condemnation under eminent domain suitable tracts of land either within or without the district for the purpose of instruction, experimentation, and demonstration in agriculture. In any village or city, a school site when practicable shall contain at least one block, and, if outside of any city or village, two acres; and when any school house site shall contain less than such amount the board may, without a vote of the electors, acquire other land adjacent to or near such site to make, with such site, all or part of such amount. When property is taken by eminent domain by authority of this subdivision, when needed by the district for such purpose, the fact that the property so needed has been acquired by the owner under the power of eminent domain, or is already devoted to public use, shall not prevent its acquisition by the district.

Subd. 2. The annual meeting or election shall have power to designate a site for a school house and provide for building or otherwise placing a school house thereon, when proper notice has been given; but a site on which a school house stands or is begun shall not be changed except by vote therefor, of three-fifths of the voters of the district voting on the question.

Subd. 3. When authorized by a two-thirds majority of all the electors voting at an annual or special meeting, the board may erect, purchase, or acquire a dwelling house for the use of its teachers; provided that the proposition shall be submitted only at a meeting or election, the notice of which stated that such proposition would be considered or submitted thereat.

Subd. 4. The board shall provide proper sanitary facilities for the schools, plant shade trees and shrubbery and otherwise improve school sites, procure insurance on school property, and make proper ordinary repairs thereon.

Subd. 5. The board may build or assist in building sidewalks for the use of pupils and the general public connecting with sidewalks in municipalities and leading to the school house. The governing body of any municipality may likewise

appropriate money for the same purpose or to assist the district.

Subd. 6. When necessary, the board shall lease rooms for school purposes.

Subd. 7. The board shall purchase, sell and exchange school apparatus, furniture, stoves, buses and other equipment as may be deemed necessary by the board for school purposes.

Subd. 8. The board shall provide for the heating and care of school houses and rooms and may provide for the heating and care of garages which house school buses.

Subd. 9. The board may contract for the furnishing of heat for its buildings for such a term as it may deem for the best interest of the district, not exceeding ten years. Where it is necessary to lay mains or pipes to connect these buildings with its heating system, the district is authorized to advance all, or any part, of the cost thereon upon such terms and conditions as shall be agreed upon.

Subd. 10. The board may authorize the use of any school houses in the district for divine worship, Sunday schools, public meetings, elections and such other community purposes as, in its judgment, will not interfere with their use for school purposes; but before permitting such use, the board may require a cash or corporate surety bond in a reasonable amount conditioned for the proper use of such school house, the payment of all rent and the repair of all damage occasioned by such use, and it may charge and collect for the use of the district from the persons using such school house such reasonable compensation as it may fix.

The board may authorize the use of any school houses or buildings in and of the district for the holding of primaries, elections, registrations and all acts in connection therewith, in such manner as, in its judgment, will not interfere with their use for school purposes. It may impose such reasonable regulations and conditions upon such use as may seem meet and proper.

Sec. 6. [122.361] Common school districts, contracts.
Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, or for the construction or repair of school houses, the estimated cost or value of which shall exceed \$1,000, shall be made by the board without first advertising for bids or proposals in some newspaper of the county by two weeks' published notice in the city or village located nearest to the school district in which the contracts are proposed to be let, or some newspaper published

in the county seat in such county; provided, that advertisements for bids for school house construction may be published in a trade journal, periodical, or magazine. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by law. If no satisfactory bid is received, the board may readvertise.

Every contract made without compliance with the provisions of this section shall be void; provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Subd. 2. Members of the board are authorized to contract with, do work for, and furnish supplies to the school district subject to the provisions of Minnesota Statutes 1953, Section 471.87.

Subd. 3. Any contract made by the board for the rental of rooms for school purposes, or for the free transportation of pupils to and from schools, or for the rental of any facility or facilities owned or operated by or under the direction of any private organization, shall be effective until disapproved by the commissioner, and all such contracts shall be submitted to him for approval immediately after being signed by the parties.

Subd. 4. The commissioner shall approve each such contract unless it appears from the information available to him that:

(a) The amount to be paid by the school district concerned for the rooms or facilities rented, or for the transportation to be furnished, under such contract substantially exceeds the reasonable value thereof;

(b) The rooms or facilities to be furnished are not reasonably required for or suitable to the operation of the schools of the district, or the transportation contracted for is not suitable to the requirements of the district; or the contract does not provide adequately against any encroachment on or interference with the conduct of a public school, or

(3) The contract does not conform to law or a duly promulgated regulation of general application of the state board of education.

Subd. 5. If the commissioner determines that one or more of such circumstances (a), (b) and (c) exists, he shall notify the district board, giving it a reasonable stated time in which to meet the objections specified in the notice. If the contract is not so changed within that time, it shall be disapproved by the commissioner. If the contract is approved the commissioner shall so notify the board. The commissioner's action together with a statement as to whether or not a petition to review such action has been filed as hereinafter provided, shall appear in the proceedings of the next meeting of the board, held after receipt of notice from the commissioner, and the proceedings shall briefly identify the contract approved or disapproved.

Subd. 6. The determination of the commissioner disapproving a contract shall be subject to the review of the state board of education, on the petition of the board, made pursuant to its resolution.

Subd. 7. The determination of the commissioner approving a contract shall be subject to the review of the state board of education, on the petition of voters of such district equal in number of five percent of those who voted at the last annual election or annual meeting of the district, except that there shall be at least five petitioners and that no more than 25 petitioners shall be required. Such petition must be filed in duplicate with the commissioner on or before the tenth day after the publication of the proceedings of the meeting of the district board which show the determination of the commissioner, the review of which is asked, or the thirtieth day after such determination, whichever date is earlier.

Subd. 8. Such petition shall:

(a) Identify the determination of the commissioner sought to be reviewed and the contract in question by the names of the parties to it, and

(b) Allege the grounds upon which the determination of the commissioner is claimed to have been erroneous, but such allegation may be on information and belief of the petitioners, and

(c) State the names, post office addresses, and voting residences of the petitioners, and

(d) State the person or persons, not more than three, and their respective post office addresses, who are authorized to receive for all of the petitioners any notices with respect to the review or any subsequent proceeding. A person, not a resident of the district, may be so named.

Subd. 9. Upon the filing of a proper petition, the commissioner shall set a time and place for hearing thereof, which shall not be less than ten nor more than 30 days after such filing. He shall cause notice of such hearing to be given by mail to the parties to the contract affected and to the person or persons named in the petition as authorized to receive notice, and in addition shall cause a notice thereof to be published in a newspaper qualified to publish proceedings of the district board concerned.

Subd. 10. The state board shall adopt rules governing the proceedings for review not inconsistent with the requirements hereof. Such rules shall be designated to give a full and fair hearing and to permit interested parties an opportunity to produce evidence relating to the issues involved. Such rules may provide that any question of fact to be determined upon such review may be referred to one or more members of the board or to an employee of the state board of education acting as a referee to hear evidence and report to the state board the testimony taken.

Subd. 11. The state board, or the parties to the proceedings, or any person designated to receive evidence upon a review shall have the same right to issue and procure subpoenas and administer oaths as are granted in proceedings before the industrial commission. There shall be a stenographic record made of all testimony given and other proceedings during such hearing, and as far as practicable, rules governing reception of evidence in courts shall obtain.

Subd. 12. The decision of the state board shall be in writing and the controlling facts found upon which the decision is made shall be stated in sufficient detail to appraise the parties and the reviewing court of the basis and reason of the decision. If it is the decision of the state board that none of the grounds of disapproval specified herein exist, the contract in question shall be approved; if it is the decision of the state board that one or more of those grounds exist, the contract shall be disapproved.

Subd. 13. The decision of the state board may be reviewed on certiorari by the district court of the county in which the school district or any part thereof is located, and the reasonableness of the state board's decision under all the circumstances of the case shown by the record will be of a judicial question of fact.

Subd. 14. The fact of approval or disapproval of a contract shall not be evidence in any civil or criminal proceeding growing out of the making or performance of the contract

or related to the official conduct of the members of the district board. Proceeding or failure to proceed shall not preclude any civil or criminal action otherwise proper. Necessary costs and disbursements, exclusive of those incurred in the administrative proceedings, on review by certiorari shall be taxed against the losing party and in the event taxed against the state shall be paid from the appropriations made to the state department of education for the payment of special state aids.

Sec. 7. [122.371] Extracurricular activities of common school districts. Subdivision 1. Whenever it shall appear to be beneficial and for the best interest of the district and the pupils of the district to carry on any school sport activities or educational activities connected with their studies outside of the territorial limits of the district, the board may authorize such activities to be conducted under such rules and regulations as the board deems sufficient. The district may pay all necessary costs therefor from the school funds available including transportation.

Subd. 2. The board may, and, upon vote of the district, shall, take charge of and control all school and quasi school activities of the teachers and children of the public schools in that district held in the school buildings or school grounds or under the supervision or direction of the school board and to that end adopt rules and regulations for the conduct of athletic, oratorical, musical, dramatic and other contests and entertainments in which the schools of its district or any class or pupils therein may participate. All money received on account of such entertainments and contests shall be turned over to the district treasurer, who shall keep the same in a separate fund to be known as the school auxiliary fund, to be disbursed for expenses connected with such entertainments or contests, or otherwise, by the board upon properly allowed itemized claims. Where the district has taken charge and control of such funds the treasurer and his bondsmen and legal depositaries shall be subject to the same liability for such funds as for other school funds as provided by law and such funds shall be considered public funds for purposes of examination and auditing. Any donations to the district for specific objects and purposes and other than for the primary purposes of the district, shall be placed in the fund hereinbefore referred to and in like manner disbursed; the request of the donor thereof being complied with in regard to the purpose of such disbursements, if the school board shall consider that the interest of the district will be promoted thereby.

No such school or quasi school entertainment or contest

in any district in which the board shall act under the provision of this subdivision shall be participated in by the teachers of pupils in the public schools of such district, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board.

Subd. 3. The board of any district in this state may enter into a contract providing for the payment of cash benefits or the rendering or payment of hospital and medical benefits, or both to school children injured while participating in the athletic or supervised physical activities of the school, such contract to make the payment of such benefits or the rendering thereof the direct and sole obligation of the association or company entering into such contract with the district.

If the board deems it advisable, it may authorize employees to collect fees from the pupils enrolled in said school who are to be or are covered by such contract, and to make payment of the premium or other charge for such contract or protection, provided payment of such premium or other charge shall not be made from funds received from the federal government or from the state or any governmental subdivision thereof, nor from funds derived by a tax levy or the issuance of bonds.

The payment of any fees, premium or other charge by such child shall not thereby make the district liable for any injuries incurred from such athletic or supervised physical school activities.

Sec. 8. [122.381] Common school districts, transportation. Subdivision 1. The board may provide for the free transportation of pupils to and from school and to schools in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to district to which it is proposed to transport the pupils, for the whole or a part of the school year as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education.

Subd. 2. The board may enter a contract for the purpose of providing transportation.

Subd. 3. The board may purchase school buses either outright or on the installment plan, installments to be all paid within a period not to exceed three years from the date of purchase. On the deferred payments, the rate of interest is not to exceed four percent per annum.

Subd. 4. The board may provide for the instruction of any resident pupil in another district when inadequate room, distance to school, unfavorable road conditions, or other facts or conditions make attendance in his own district unreasonably difficult or impractical, in which case such district shall pay to the district so attended the tuition agreed upon or charged and may provide transportation; provided, that such pupil shall continue to be a pupil of the district of his residence for the payment of apportionment and other state aids.

Subd. 5. The board may provide for the admission to the schools of the district, of non-resident pupils, and those above school age, and fix the rates of tuition for such pupils. In case a person owns land and pays the taxes thereon, in a district other than the one in which he resides, then such person or his tenant shall be admitted to all benefits of said school the same as residents therein, in respect to elementary pupils upon conforming to such reasonable terms for tuition and transportation as the board of education of such school district may have established for non-residents, except that he shall be entitled to have the amount of school taxes which he pays to the support of said district applied in payment of said tuition and transportation fees. In the payment of state aid, the district in which the pupil attends shall be considered the district of his residence because of the provisions of this subdivision.

Subd. 6. The board may transport pupils residing outside of the district but attending school therein upon pupils presenting themselves within the district on one of the regular routes traveled in the transportation of the pupils of the district.

Subd. 7. If high school pupils from a district within this state are being transported to a school in another state, the school board of the district from which the pupils are being transported may provide free transportation and tuition for any or all of its elementary pupils to such school in another state and be entitled to state aid as provided by law.

Subd. 8. The board may rent to any person, for any lawful purpose, any school bus owned by the district. The use and operation of such bus by such person shall not interfere with the use and operation of such bus by the district for the transportation of school children to and from school. Any such lessee so leasing or renting buses may use and operate the same as provided in this section without the payment of a motor vehicle tax thereon as provided by law. Any such lessee shall be liable for any and all claims for injuries and damages arising out of the use and operation of any bus so leased or

rented; and the leasing or renting of any such bus shall be conditioned upon said lessee or renter procuring, at his own expense, insurance protecting the board and district against any and all claims for injuries and damages arising out of the use and operation of said bus.

Subd. 9. The board may provide for the protection of school children in the district being transported for all school purposes or activities in the district owned, operated, leased or controlled motor vehicles, against injuries or damages arising out of the operation thereof. If the board deems it advisable, insurance may be procured and paid from any funds available. Any insurance contract covering such risk shall contain, as a condition precedent, a clause or provision expressly waiving the defense, by the insurer, that the district is engaged in a governmental function. The payment of any insurance premiums by such district shall not thereby make the district liable for any injuries or damages incurred by such transportation.

Subd. 10. The board may provide and pay the premiums for the protection for school children, instructors and automobile owners, and any other agency cooperating in providing cars for districts where driver training courses are being offered, against public liability, property damage, collision, fire and theft, arising out of the operation of any vehicle used in the course. Nothing herein shall make the district liable for injuries resulting from the actions of such persons.

Subd. 11. The board may provide and pay the premiums for insurance against injuries resulting to its pupils while assigned to and acting on a school safety patrol which insurance may provide for the payment of either cash benefits to such injured pupil or for the payment of hospital and medical benefits to or for such injured pupil, or both. Nothing herein shall be construed to in any way make the district liable for such injuries.

Subd. 12. The board is authorized to enter into contracts for the removal of snow from the roads used for regular bus routes transporting pupils to and from school either within or without the district.

Subd. 13. No board shall enter into any agreement for the transportation of pupils in any motor vehicle, or operate any bus, with a seating capacity of more than ten passengers, unless each vehicle used for such purpose have an emergency exit located in the center of the rear portion of the bus body, and the exit to be in condition for use at all times. No board shall hereafter purchase any bus with a seating capacity of

more than 48 pupils, if such bus is to be used on rural roads or highways, unless it be mounted on a chassis equipped with an additional trailer axle that is to be used during the spring of the year when roads are restricted to four-ton axle load. No board shall hereafter enter into any agreement for the transportation of pupils on rural roads or highways in any motor vehicle which has a seating capacity of more than 48 pupils unless it be mounted on a motor chassis equipped with an additional and suitable trailer axle to be used during the spring of the year when highways are restricted to four-ton axle load. This trailer rear axle requirement shall not however, apply to a bus purchased or operated by a board of any district or by a contract hauler in those cases where the routes over which such bus is to be operated shall first have been approved by the local town or country road authorities concerned or in the case of trunk highways by the state commissioner of highways. Existing agreements for buses for the transportation of pupils in motor vehicles with a capacity of more than 48 pupils may be renewed for the particular motor vehicles named in said existing agreements even though such bus be not mounted on a chassis equipped with trailer rear axles. All such vehicles used in the transportation of pupils shall conform to the rules and regulations of the state board of education.

Sec. 9. [122.391] Common school districts, specific powers and duties. Subdivision 1. The board shall defray the necessary expenses of the board, including record books, stationery, and other incidental matters as may be proper.

Subd. 2. The board shall provide for the payment of all just claims against the district in cases provided by law.

Subd. 3. In all proper cases, the board shall prosecute and defend actions by or against the district.

Subd. 4. The board may receive, for the benefit of the district, bequests, donations or gifts for any proper purpose and apply the same to the purpose designated.

Subd. 5. The board may make rules and regulations respecting and providing for the protection of and use of the property of the district, and change or repeal such rules.

Subd. 6. The district may employ qualified accountants for the purpose of auditing, examining and reporting upon the books and records of account of the district.

Subd. 7. The district may destroy the following records:

(1) Claims and vouchers paid by the district more than ten years prior to such destruction;

(2) Receipts, miscellaneous papers and correspondence bearing dates more than ten years prior to destruction;

(3) Orders and checks paid more than ten years prior to destruction.

The officer having custody of said records shall obtain written approval of the governing body of the district. The approval shall be in the form of a resolution listing the classes of records authorized to be destroyed and the range of dates of the records in each class. A copy of the resolution consenting to the destruction of such records shall be sent to the Minnesota State Historical Society. If no petition or application requesting the records from the historical society is received by said district within 30 days after mailing of the resolution the records shall be destroyed by the officer having custody.

This subdivision is supplementary to other statutory authority to destroy obsolete district records and does not prevent destruction of such records at an earlier time or the destruction of other records when authorized by other statutory provision.

Sec. 10. [122.393] Limitation of article. Material contained in this article, unless expressly stated otherwise, relates only to common school districts.

Sec. 11. [122.395] Board of common school district may procure liability insurance for officers and employees. The governing body of any common school district may procure insurance against liability of the school district or of its officers and employees for damages resulting from wrongful acts and omissions of the school district and its officers and employees, whether the acts or omissions relate to governmental or proprietary functions of the school district. Insofar as this insurance relates to governmental functions of the school district, the policy of insurance shall contain a provision under which the insurance company agrees to waive the defense of governmental immunity up to the limits of the policy unless the school district consents to the assertion of that defense.

ARTICLE V

Section 1. [122.411] Independent school districts, elections. Subdivision 1. Unless a different date is permitted under the provisions of subdivision 22, the annual

election in independent districts shall be held on the third Tuesday in May.

Subd. 2. At least 15 days before the election, the board shall, by resolution, determine precinct boundaries, if more than one is desired, and establish polling places for each precinct and appoint three election judges for each polling place and determine the hours the polls shall be open. If no action is taken by the board, the precinct boundaries and polling places shall be the same as those of the preceding election in the district.

Subd. 3. The clerk of the district shall give ten days' posted notice of the election and also if there be a newspaper published in the district, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election, and shall contain information concerning the precincts, polling places and hours the polls shall be open.

Subd. 4. At the annual election board members shall be elected to fill vacancies on the board caused by expiration of term on July 1 next following the election. Any person desiring to be a candidate for a district office at the election shall file with the clerk of the district an application to be placed on the ballot for such office. The application shall be filed not more than 30 nor less than 12 days before the election.

Subd. 5. The clerk shall prepare, at the expense of the district, necessary ballots for the election of officers, placing thereon the names of the proposed candidates, with the same number of blank spaces for the insertion of names of other candidates as there are members to be elected. The ballots shall be marked and initialed by at least two judges as official ballots and shall be used exclusively at the election. Any proposition to be voted upon shall be stated separately on the ballot. Voting shall be by secret ballot.

Subd. 6. Election judges may be paid by the district at a rate not to exceed \$1 per hour. The election judges shall act as clerks of election, count the ballots cast, and submit them to the board for canvass.

Subd. 7. The board may authorize the use of voting machines subject to applicable provisions of Minnesota Statutes, Chapter 209.

Subd. 8. After canvassing the election, the board shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. The clerk shall deliver such certificate to the person entitled thereto by registered mail, and each person so certified shall

file an acceptance and oath of office in writing with the school district clerk within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill the vacancy has been taken.

Subd. 9. Any independent district may for the purpose of the election of board members alter its organization into separate election districts by the following procedure.

Subd. 10. Upon resolution of the board, which resolution may be made on its own motion or shall be made upon presentation of a petition therefor signed by at least 50 electors of the district, the board shall divide the district into as many separate election districts as there are members of the board, which proposal shall be submitted to an election as hereinafter provided.

Subd. 11. The election district lines drawn in cities or villages shall follow the lines of streets or highways, and in areas outside of cities or villages the lines drawn shall follow lines of sections or quarter sections or highways.

Subd. 12. No one election district shall contain more than 20 percent of the total population of the district according to the most recent state or federal decennial census; or the district may conduct a special census for the purpose.

Subd. 13. The board shall designate each election district by number and by a metes and bounds description sufficient and adequate to permit identification of the geographical limits of the area.

Subd. 14. The board shall make its determination by a resolution within six months after the resolution of the board authorizing the establishment of election districts.

Subd. 15. Boundaries of separate election districts once established under provisions of this act or boundaries of election districts in independent districts which have converted from special districts may be changed or altered by the electorate of a district voting upon a question presented in the manner required by this act for initial establishment of such separate election districts, except that the initiating petition for change of boundaries must be signed by at least 250 voters of the school district.

Subd. 16. Upon adoption of such division of the district by resolution the board shall cause its decision to be voted upon by the electorate at a special election called for the purpose.

Subd. 17. Such election shall be held on the notice and in the manner provided by law for the conduct of special elections.

Subd. 18. The question presented at the special election shall be: "Shall the school district be reorganized into election districts with boundaries as established in Resolution No. of the school board, dated ?

Yes
No"

Subd. 19. If the resolution is approved by a majority of those voting at the election the board shall forthwith meet, and by resolution establish a separate polling place for each election district. Polling places for two or more election districts may be located in the same building. Adequate precautions for proper division of the vote among election districts shall be taken by the board.

Subd. 20. Any qualified voter may file with the clerk of the district an application to be placed on the ballot in his particular election district as a candidate for office as a member of the school board from such district.

Subd. 21. At the next election of board members, and at each election thereafter held to elect members of the board, one and only one member of the board shall be elected from each election district established under the provisions of this act.

The board shall specify the election districts from which vacancies shall be filled as they occur until such time as the representation specified in this section is attained.

Subd. 22. The board of an independent district may, and, upon petition of 50 or more voters of the district, or 20 percent of the number of votes cast at the preceding annual election, shall by resolution call a special election to vote on any matter requiring approval of the voters of the district. The clerk of the district shall give ten days' posted notice and one week's published notice of election if there be a newspaper published in such district. The notice shall specify the time and place of election, and the questions to be submitted to the voters at the election. The procedure for a special election shall be the same as for an annual election.

Subd. 23. (1) Unless action is taken by the board under sub-paragraphs (2) and (3) of this subdivision, in a district which is reclassified to an independent district from a county district or a common district containing ten or more townships, by provisions of this code, the board of such dis-

trict shall continue to govern the district until July 1 following the next annual election as provided for independent district, at which election six members shall be elected at large from the district, two members for a one-year term from July 1 next following the election, two members for a two-year term from said July 1, and two members for a three-year term from said July 1, to serve until a successor is elected and qualifies; if such district is reclassified to an independent district from a common district of ten or more townships containing less than ten schools, the board of such district shall continue to govern the district, and the members presently serving shall continue to the end of their term. At the next annual election of school board members following July 1 following the adoption of the code, two members shall be elected for a three-year term and one member for a two-year term each commencing on July 1 next following the election. Thereafter, members shall be elected as in independent districts.

(2) In any district which is reclassified from a common district of ten or more townships to an independent district by the provisions of this code, the election of the board members may be held biennially concurrently with the general elections in the areas by resolution of the board made within 90 days of the adoption of this code. Board members presently serving shall continue in office until the expiration of the term to which they were elected. At the next general election following the adoption of the code, board members shall be elected to fill all vacancies then occurring and any vacancies caused by reclassification to an independent district. Provided that three board members shall be elected for a term of four years each and any necessary additional board members shall be elected for a term of two years each, to serve until a successor is elected and qualifies. The term of members shall commence on the first Monday in January following the general election. Thereafter, three members shall be elected at each general election for a term of four years from the first Monday in January following the general election.

(3) If a reclassified district was a county district and if the board of such district determines, by resolution, to retain its organization providing for area representation and a five man board, a resolution affecting such organization may be adopted by the board at any time before 30 days before the next election following the effective date of this code. The resolution, if adopted, shall divide the district into five election districts coterminous with the county commissioner districts, and shall specify the terms to which members from each election district shall be elected so as to provide for a continuation of the present organizational structure of the

board. In a district which is reclassified to an independent school district from a county district by provisions of this code, the election of board members may be held biennially from county commissioner districts as now established concurrently with the general elections in the areas upon resolution of the board adopted at least 30 days before the election next following the effective date of this code. If such a resolution is adopted, board members presently serving shall continue in office until the expiration of the term to which they were elected to serve until a successor is elected and qualified. Thereafter, vacancies caused by expiration of term shall be filled at each general election for a term of four years from the first Monday in January following the general election. Districts reclassified as independent districts that were county districts shall also have the powers and duties contained in Sections 123.26 to 123.29 in addition to their status as an independent district.

Sec. 2. [122.421] Boards of independent school districts. Subdivision 1. The care, management, and control of independent districts shall be vested in a board of directors, to be known as the school board. The term of office of a member shall be three years and until his successor qualifies. The membership of the school board shall consist of six elected directors together with such ex officio member as may be provided by law. But the board may submit to the electors at any school election the question whether the board shall consist of seven members and if a majority of those voting on the proposition favor a seven member board, a seventh member shall be elected at the next election of directors for a three-year term and thereafter the board shall consist of seven members.

Subd. 2. A vacancy in any board occurs when a member (a) dies, or (b) resigns, or (c) ceases to be a resident of the district, or (d) is unable to serve on such board and attend its meetings for not less than 90 days because of illness or prolonged absence from the district.

Subd. 3. A vacancy caused by a member being unable to serve on such board and attend its meetings for not less than 90 days because of illness or prolonged absence from the district, may, after the board has by resolution declared such vacancy to exist, be filled by the board at any regular or special meeting thereof for the remainder of the unexpired term, or until such ill or absent member is again able to resume his duties as a member of such board whichever date is earlier. When such ill or absent member is again able to resume his duties as a member of the board, the board shall

by resolution so determine and declare such person to be again a member of the board, and the member appointed by the board in his place to be no longer a member thereof.

Subd. 4. Any other vacancy in a board shall be filled by the board at any regular or special meeting thereof until such vacancy can be filled by election at the next annual meeting or election. Such appointment shall be evidenced by a resolution entered in the minutes. All elections to fill vacancies shall be for the unexpired term.

Subd. 5. A majority of the voting members of the board shall constitute a quorum. No contract shall be made or authorized, except at a regular meeting of the board or at a special meeting at which all members are present or of which all members have had notice. Special meetings may be called by the chairman or clerk or any three members upon notice mailed to each member at least three days prior thereto.

Subd. 6. The board shall make and when deemed advisable change or repeal rules relating to the organization and management of the board and the duties of its officers.

Subd. 7. The board shall superintend and manage the schools of the district; adopt, modify, or repeal rules for their organization, government, and instruction and for the keeping of registers; and prescribe textbooks and courses of study.

Subd. 8. The board may remove, for proper cause, any member or officer of the board and fill the vacancy; but such removal must be by a concurrent vote of at least four members, at a meeting of whose time, place, and object he has been duly notified, with the reasons for such proposed removal and after an opportunity to be heard in his own defense.

Subd. 9. The board of any district may become a member of the county school officers' association of the county and shall appoint one or more of its members to attend the annual meeting thereof. The amount of the annual membership dues in such association shall not exceed \$2, which amount shall be paid as other expenses of the district are paid.

Subd. 10. The board by a two-thirds vote may become a member of the Minnesota School Board Association and appoint one or more of its members to attend its annual meeting. The amount of annual membership dues in the association and actual and necessary expense incurred in attending such meeting shall be paid as other expenses of the district are paid.

Subd. 11. The board shall cause to be published once, in some newspaper published in the district, or, if there be no

newspaper so published therein, in some newspaper published in the county in which the district is located, official proceedings of such board; and such publication shall be made as soon as may be and not later than 30 days after the meeting at which such proceedings were had. Such publication shall be let annually by contract to the lowest bidder at the first regular meeting of the board after the annual election in such district. The fees for publication shall not exceed the fees for publication of legal notices as prescribed by Minnesota Statutes.

Subd. 12. The clerk, treasurer, and superintendent of any district shall receive such compensation as may be fixed by the board. The other members of the board shall receive such compensation as may be fixed by the board but not to exceed \$5 per diem nor more than \$75 a year. All members of the board may receive reimbursement for transportation at the rate provided for in Minnesota Statutes 1953, Section 350.11, except in independent districts which were classified as county districts at the time of the adoption of this code in which district the members of the board shall receive \$15, while attending any regular or special meeting of the board, but not more than \$300 in any one year, and receive seven and one-half cents per mile in going to and from his place of residence to the place of meeting by the usual route of travel.

The chairman, clerk, and treasurer of a district reclassified from a county district shall receive such additional compensation as may be fixed by the board of education. The chairman shall not receive more than \$300, the clerk shall not receive more than \$720, and the treasurer not more than \$600 in any one year.

In addition to their salaries, the members of boards in districts reclassified from county districts shall be paid their actual expense and necessary travel expenses incurred and paid by each of them in the conduct of their official duties, including the visitation of schools. Such expenses should be paid upon the presentation of duly itemized statements, approved by the board, and which shall be made a part of the official records of the board.

In independent districts which were classified as common districts composed of ten or more townships at the time of the adoption of this code each member of the board shall receive as annual compensation for his services as a member of such board the amounts stated as follows:

\$200 a year where such district contains 30 public schools; \$400 a year where such district contains 31 public schools but less than 61; \$600 a year where such district contains 61 public schools but less than 91; \$800 a year where such district

contains 91 public schools or more; provided that in such districts containing less than 30 public schools and in which is maintained a high school, the annual compensation of the members of the school board shall be prescribed for all other independent districts.

In such district containing more than 20 full and fractional townships each member of the school board shall receive as annual compensation for his services as a member of such board \$600 a year.

Subd. 13. The board shall defray the necessary expenses of the board members, including \$5 per day for attending one meeting of the school boards of the county in each year, when called by the county superintendent, and seven and one-half cents per mile in going to and returning from the meeting.

Sec. 3. [122.431] Officers of independent school districts. Subdivision 1. Within ten days after the election of the first board in independent districts and annually thereafter on the first Saturday in July, or as soon thereafter as practicable, the board shall meet and organize by selecting a chairman, clerk, and a treasurer, who shall hold their offices for one year and until their successors are selected and qualify. They may appoint a superintendent who shall be ex officio a member of the board, but not entitled to vote therein.

Subd. 2. The chairman when present shall preside at all meetings of the board, countersign all orders upon the treasurer for claims allowed by the board, represent the district in all actions and perform all the duties usually incumbent on such officer. In case of absence, inability, or refusal of the clerk to draw orders for the payment of money authorized by a vote of the majority of the board to be paid, the orders may be drawn by the chairman, and paid by the treasurer, a statement thereof, with a copy of such orders, being delivered to the clerk by the treasurer, or the office of the clerk may be declared vacant by the chairman and treasurer and filled by appointment.

Subd. 3. The treasurer shall receive and be responsible for all money in the district and disburse the same on orders signed by the clerk and countersigned by the chairman or other vouchers authorized by law; provided, that, in the event that the chairman has been continuously absent from the district for a period of 30 days or more, the treasurer may pay orders without the signature of the chairman. Each order shall state the fund on which it is drawn, the name of the payee, and the nature of the claim for which such order is issued and shall be so drawn that when signed by the treasurer

in an appropriate place, it becomes a check on the school district depository. He shall keep an account of each fund, and of all receipts and disbursements showing the sources of all receipts and the nature and purpose of disbursements.

Subd. 4. On July 1 of each year, the treasurer shall file with the clerk a report of his balances, receipts and disbursements by funds, for the year. Such report, together with his vouchers, shall be examined by the board and, if found correct, approved by resolution entered in the records. If incomplete or inaccurate, a further or amended report may be required by the board. He shall make such further reports as may from time to time be called for by the board and perform all duties usually incumbent on such officer.

Subd. 5. Every order drawn for the payment of teachers' wages, and for any other lawful purpose, after having been presented to the treasurer for payment, and not paid for want of funds, shall be endorsed by the treasurer by putting on the back thereof the words, "Not paid for want of funds," giving the date of indorsement and signed by the treasurer. A record of such presentment, nonpayment and indorsement, shall be made by the treasurer. Every such order shall bear interest at the rate of five percent per annum from the date of such presentment, and shall be paid in the order in which it is so presented and registered out of the first money received by the treasurer applicable to its payment; provided, that the district may enter into agreements with banks to take such orders at any rate of interest lower than the legal rate. The treasurer shall serve a written notice upon the payee or his assignee, personally, or by mail, when he is prepared to pay such order; such notice may be directed to the payee or his assignee at the address given in writing by such payee or assignee to such treasurer, at any time prior to the service of such notice; no order shall draw any interest if such address is not given when the same is unknown to the treasurer, and no order shall draw any interest after the service of such notice.

Subd. 6. Every district treasurer shall give a corporate surety bond to the state. The board to fix the specific amount of the bond in an amount sufficient to protect the interest of the district, and the bond to be approved by the board and conditioned for the faithful discharge of his official duties. The district shall pay the bond premium. The school board may, at any time by a majority vote, require the treasurer to give a new or an additional bond and, upon his failure to furnish same within a reasonable time after notice, the board shall declare the office of treasurer vacant. Any bond hereunder, before approval by the school board, shall be ap-

proved as to its form by the public examiner, county attorney, or an attorney designated by the school board. All such bonds shall be filed with the county auditor and the county auditor shall not deliver any warrants for tax settlements or state aids until such bond has been filed.

Subd. 7. When the duty devolves upon any person employed by a board to receive money and pay it over to the treasurer of the district, the district shall require a bond from such person and pay all premiums therefor. The amount of each bond shall be fixed by the board and the bond approved by it. The bond shall be not less than \$500 conditioned for the faithful performance of his duty and shall be filed with the clerk. In lieu of individual bonds, the district may prescribe and keep in effect a schedule or position insurance policy or blanket bond in such aggregate amount as the district determines, insuring the fidelity of such persons in the amount of not less than \$500 for each such person.

Subd. 8. The clerk shall keep in books provided by the district for that purpose a record of all meetings of the district and the board. He shall, within three days after an election notify all persons elected of their election and, on or before July 10 in each year, make and transmit to the county superintendent a certified report, showing:

- (1) The condition and value of school property;
- (2) The receipts and disbursements in detail, and such other financial matters as may be called for by the commissioner.
- (3) The length of school term and the enrollment and attendance by grades;
- (4) The names and post-office addresses of all directors and other officers; and
- (5) Such other items of information as may be called for by the commissioner.

He shall enter in his record book copies of all his reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished him by the clerk pro tem, and keep an itemized account of all the expenses of the district. He shall furnish to the auditor of the proper county, on or before October 10 of each year, an attested copy of his record, showing the amount of money voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chairman. Such orders shall state the consideration, payee,

and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 4. [122.441] General powers of independent school districts. Subdivision 1. The board shall have the general charge of the business of the district, the school houses, and of the interests of the schools thereof.

Subd. 2. It shall be the duty and the function of the district to furnish school facilities to every child of school age residing in any part of the district. The board may establish and organize and alter and discontinue such grades or schools as it may deem advisable and assign to each school and grade a proper number of pupils. The board shall provide free textbooks for the pupils of the district.

Subd. 3. The voters of a district may authorize the issuance of bonds of the district in accordance with the provisions of Minnesota Statutes, Chapter 475.

Subd. 4. The board shall provide by levy of tax necessary funds for the conduct of schools, the payment of indebtedness, and all proper expenses of the district.

Subd. 5. The board shall employ and contract with necessary qualified teachers and discharge the same for cause.

Subd. 6. The board may employ and discharge necessary employees and may contract for other services.

Subd. 7. The board may provide library facilities as part of its school equipment according to the standards of the state board of education.

Subd. 8. The board may establish and maintain public evening schools and adult education programs and such evening schools and adult education programs when so maintained shall be available to all persons over 16 years of age who, from any cause, are unable to attend the full-time school of such district.

Subd. 9. The board may establish and maintain one or more kindergartens for the instruction of children above four, and under six, years of age.

Subd. 10. The board shall furnish free textbooks to all pupils.

Subd. 11. The board may furnish school lunches for

pupils and teachers on such terms as it determines.

Sec. 5. [122.451] School houses and sites, independent school districts. Subdivision 1. When funds are available therefor, the board may locate and acquire necessary sites of school houses or enlargements, or additions to existing school house sites by lease, purchase or condemnation under the right of eminent domain; it may erect or purchase garages for district owned school buses. In any village or city, the school sites, when practicable, shall contain at least one block and, if outside of any city or village, two acres; and when any school house site shall contain less than such amount, the board may acquire other land adjacent to or near such site to make, with such site, all or part of such amount. When property is taken by eminent domain by authority of this subdivision when needed by the school district for such purposes, the fact that the property so needed has been acquired by the owner under the power of eminent domain, or is already devoted to public use, shall not prevent its acquisition by school district. The board may sell or exchange school houses or sites, and execute deeds of conveyance thereof.

Subd. 2. The board shall purchase, sell, and exchange school apparatus, furniture, stoves, buses, and other equipment as may be deemed necessary by the board for school purposes.

Subd. 3. The board may make rules and regulations respecting the protection of the property of the district.

Subd. 4. The board shall provide proper sanitary facilities for the schools, plant shade trees and shrubbery and otherwise improve school sites, procure insurance on school property, and make proper ordinary repairs thereon.

Subd. 5. The board may authorize the use of any school houses in the district for divine worship, Sunday schools, public meetings, elections, and such other community purposes as, in its judgment, will not interfere with their use for school purposes; but before permitting such use, the board may require a cash or corporate surety bond in a reasonable amount conditioned for the proper use of such school house, the payment of all rent and the repair of all damage occasioned by such use, and it may charge and collect for the use of the district from the persons using such school house such reasonable compensation as it may fix.

It may authorize the use of any school houses or buildings in and of the district for the holding of primaries, elections, registrations, and all action connection therewith, in such manner as, in its judgment, will not interfere with their

use for school purposes. It may impose such reasonable regulations and conditions upon such use as may seem meet and proper.

Subd. 6. The board may build or assist in building sidewalks for the use of pupils and the general public connecting with sidewalks in municipalities and leading to the school house. The governing body of any municipality may likewise appropriate money for the same purpose or to assist the district.

Subd. 7. When necessary, the board shall lease rooms for school purposes.

Subd. 8. The board shall provide for the heating and care of school houses and rooms and may provide for the heating and care of garages which house school buses.

Subd. 9. The board may contract for the furnishing of heat for its buildings for such term as it may deem for the best interest of the district, not exceeding ten years. Where it is necessary to lay mains or pipes to connect these buildings with a heating system, the district is authorized to advance all, or any part of the cost thereof upon such terms and conditions as shall be agreed upon.

Sec. 6. [122.461] Independent school districts, contracts. Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, or for the construction or repair of school houses, the estimated cost or value of which shall exceed \$1,000, shall be made by the school board without first advertising for bids or proposals in some newspaper of the county by two weeks' published notice in the city or village located nearest to the district in which the contracts are proposed to be let, or some newspaper published in the county seat in such county; provided, that advertisements for bids for school house construction may be published in a trade journal, periodical, or magazine. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by law. If no satisfactory bid is received, the board may readvertise.

Every contract made without compliance with the provisions of this section shall be void; provided, that in case of the destruction of buildings or injury thereto, where the pub-

lic interests would suffer by delay, contracts for repairs may be made without advertising for bids.

Subd. 2. Members of the board are authorized to contract with, to work for, and furnish supplies to the district subject to the provisions of Minnesota Statutes 1953, Section 471.87.

Subd. 3. Any contract made by the board for the rental of rooms for school purposes, or for the free transportation of pupils to and from school, or for the rental of any facility or facilities owned or operated by or under the direction of any private organization, shall be effective until disapproved by the commissioner, and all such contracts shall be submitted to him for approval immediately after being signed by the parties.

Subd. 4. The commissioner shall approve each such contract unless it appears from the information available to him that:

(a) The amount to be paid by the district concerned for the rooms or facilities rented or for the transportation to be furnished, under such contract substantially exceeds the reasonable value thereof; or

(b) The rooms or facilities to be furnished are not reasonably required for or suitable to the operation of the schools of the district, or the transportation contracted for is not suitable to the requirements of the district; or the contract does not provide adequately against any encroachment on or interference with the conduct of a public school, or

(c) The contract does not conform to law or a duly promulgated regulation of general application of the state board of education.

Subd. 5. If the commissioner determines that one or more of such circumstances (a), (b), and (c) exists, he shall notify the district board, giving it a reasonable stated time in which to meet the objections specified in the notice. If the contract is not so changed within that time, it shall be disapproved by the commissioner. If the contract is approved the commissioner shall so notify the district board. The commissioner's action together with a statement as to whether or not a petition to review such action has been filed as hereinafter provided, shall appear in the proceedings of the next meeting of the district board, held after receipt of notice from the commissioner, and the proceedings shall briefly identify the contract approved or disapproved.

Subd. 6. The determination of the commissioner disapproving a contract shall be subject to the review of the state board of education, on the petition of the district board, made pursuant to its resolution.

Subd. 7. The determination of the commissioner approving a contract shall be subject to the review of the state board of education, on the petition of voters of such school district equal in number of five percent of those who voted at the last annual election or annual meeting of the district, except that there shall be at least five petitioners and that no more than 25 petitioners shall be required. Such petition must be filed in duplicate with the commissioner on or before the tenth day after the publication of the proceedings of the meeting of the district board which show the determination of the commissioner, the review of which is asked, or the thirtieth day after such determination, whichever date is earlier.

Subd. 8. Such petition shall:

(a) Identify the determination of the commissioner sought to be reviewed and the contract in question by the names of the parties to it, and

(b) Allege the grounds upon which the determination of the commissioner is claimed to have been erroneous, but such allegation may be on information and belief of the petitioners, and

(c) State the names, post office addresses, and voting residences of the petitioners, and

(d) State the person or persons, not more than three, and their respective post office addresses, who are authorized to receive for all of the petitioners any notices with respect to the review or any subsequent proceeding. A person, not a resident of the district, may be so named.

Subd. 9. Upon the filing of a proper petition, the commissioner shall set a time and place for hearing thereof, which shall not be less than ten nor more than 30 days after such filing. He shall cause notice of such hearing to be given by mail to the parties to the contract affected and to the person or persons named in the petition as authorized to receive notice, and in addition shall cause a notice thereof to be published in a newspaper qualified to publish proceedings of the district board concerned.

Subd. 10. The state board shall adopt rules governing the proceedings for review not inconsistent with the requirements hereof. Such rules shall be designed to give a full and fair hearing and to permit interested parties an opportunity

to produce evidence relating to the issues involved. Such rules may provide that any question of fact to be determined upon such review may be referred to one or more members of the board or to an employee of the state board of education acting as a referee to hear evidence and report to the state board the testimony taken.

Subd. 11. The state board, or the parties to the proceedings, or any person designated to receive evidence upon a review shall have the same right to issue and procure subpoenas and administer oaths as are granted in proceedings before the industrial commission. There shall be a stenographic record made of all testimony given and other proceedings during such hearing, and as far as practicable, rules governing reception of evidence in courts shall obtain.

Subd. 12. The decision of the state board shall be in writing and the controlling facts found upon which the decision is made shall be stated in sufficient detail to apprise the parties and the reviewing court of the basis and reason of the decision. If it is the decision of the state board that none of the grounds of disapproval specified herein exist, the contract in question shall be approved; if it is the decision of the state board that one or more of those grounds exist, the contract shall be disapproved.

Subd. 13. The decision of the state board may be reviewed on certiorari by the district court of the county in which the school district or any part thereof is located, and the reasonableness of the state board's decision under all the circumstances of the case shown by the record will be judicial question of fact.

Subd. 14. The fact of approval or disapproval of a contract shall not be evidence in any civil or criminal proceeding growing out of the making or performance of the contract or related to the official conduct of the members of the district board. Proceedings or failure to proceed shall not preclude any civil or criminal act otherwise proper. Necessary costs and disbursements, exclusive of those incurred in the administrative proceedings, on review by certiorari shall be taxed against the losing party and in the event taxed against the state shall be paid from the appropriations made to the state department of education for the payment of special state aids.

Sec. 7. [122.471] Extracurricular activities of independent school districts. Subdivision 1. Whenever it shall appear to be beneficial and for the best interest of the district and the pupils of the district to carry on any school sport ac-

tivities or educational activities connected with their studies outside of the territorial limits of the school district, the board may authorize such activities to be conducted under such rules and regulations as the board deems sufficient. The district may pay all necessary costs therefor including transportation from the school funds available.

Subd. 2. The board may, and, upon vote of the district, shall take charge of and control all school and quasi school activities of the teachers and children of the public schools in that district held in the school buildings or school grounds or under the supervision or direction of the school board and to that end adopt rules and regulations for the conduct of athletic, oratorical, musical, dramatic, and other contests and entertainments in which the schools of district or any class or pupils therein may participate. All money received on account of such entertainments and contests shall be turned over to the school district treasurer, who shall keep the same in a separate fund to be known as the school auxiliary fund, to be disbursed for expenses connected with such entertainments or contest, or otherwise, by the board upon properly allowed itemized claims. Where the district has taken charge and control of such funds, the treasurer and his bonding company and depositories shall be subject to the same liability for such funds as for other school funds as provided by law and such funds shall be considered public funds for the purposes of examination and auditing. Any donations to the school district for specific objects and purposes and other than for the primary purposes of the district, shall be placed in the fund hereinbefore referred to and in like manner disbursed; the request of the donor thereof being complied with in regard to the purpose of such disbursements, if the board shall consider that the interest of the district will be promoted thereby.

No such school or quasi school entertainment or contest in any district in which the school board shall act under the provision of this subdivision shall be participated in by the teachers of pupils in the public schools of such district, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board.

Subd. 3. The board may enter into a contract providing for the payment of cash benefits or the rendering or payment of hospital and medical benefits, or both to school children injured while participating in the athletic or supervised physical activities of the school, such contract to make the payment of such benefits or the rendering thereof the direct and sole obligation of the association or company entering into such contract with the district.

If the board deems it advisable, it may authorize employees to collect fees from the pupils enrolled in said school who are to be or are covered by such contract, and to make payment of the premium or other charge for such contract or protection, provided payment of such premium or other charge shall not be made from funds received from the federal government or from the state or any governmental subdivision thereof, nor from funds derived by a tax levy or the issuance of bonds.

The payment of any fees, premium or other charge by such child shall not thereby make the district liable for any injuries incurred from such athletic or supervised physical school activities.

Sec. 8. [122.481] Independent school districts, transportation. Subdivision 1. The board may provide for the free transportation of pupils to and from school, and to schools, in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any district which at the time of the adoption of this code was a consolidated district or enjoyed the privileges of a consolidated district, the board shall arrange for the attendance of all pupils living two miles or more from the school, through suitable provision for transportation or for the boarding and rooming of such pupils as may be more economically and conveniently provided for by such means. The district is authorized to provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by such means.

Subd. 2. The board may contract for the furnishing of authorized transportation under rules established by the commissioner of education.

Subd. 3. The board may purchase buses on the installment plan, the installments to be all paid within a period of not to exceed three years from the date of purchase, and the deferred payments to bear a rate of interest of not to exceed four percent per annum.

Subd. 4. The board may provide for the instruction of any resident pupil in another district when inadequate room, distance to school, unfavorable road conditions, or other

facts or conditions make attendance in his own district unreasonably difficult or impractical, in which case such district shall pay to the district so attended the tuition agreed upon or charged, and may provide transportation; provided, that such pupil shall continue to be a pupil of the district of his residence for the payment of apportionment and other state aids.

Subd. 5. The board may provide for the admission to the schools of the district, of non-resident pupils, and those above school age, and fix the rates of tuition for such pupils. In case a person owns land and pays the taxes thereon, in a district other than the one in which he resides, then such person or his tenant shall be admitted to all the benefits of said school the same as residents therein, in respect to elementary pupils upon conforming to such reasonable terms for tuition and transportation as the board of education of such school district may have established for non-residents, except that he shall be entitled to have the amount of school taxes which he pays to the support of said district applied in payment of said tuition and transportation fees. In the payment of state aid, the district in which the pupil attends shall be considered the district of his residence because of the provisions of this subdivision.

Subd. 6. The board may transport pupils residing outside of the district but attending school therein upon pupils presenting themselves within the district on one of the regular routes traveled in the transportation of the pupils of the district.

Subd. 7. If high school pupils from a district within this state are being transported to a school in another state, the board of the district from which the pupils are being transported may provide free transportation and tuition for any or all of its elementary pupils to such school in another state and be entitled to state aid as provided by law.

Subd. 8. The board may rent to any person, for any lawful purpose, any bus owned by the school district. The use and operation of such bus by such person shall not interfere with the use and operation of such bus by the district for the transportation of children to and from school. Any such lessee so leasing or renting buses may use and operate the same as provided in this section without the payment of a motor vehicle tax thereon as provided by law. Any such lessee shall be liable for any and all claims for injuries and damages arising out of the use and operation of any bus so leased or rented; and the leasing or renting of any such bus shall be conditioned upon said lessee or renter procuring, at his own expense, insurance protecting said board and said district against any

and all claims for injuries and damages arising out of the use and operation of said bus.

Subd. 9. The board may provide for the protection of school children in the district being transported for all school purposes or activities in district owned, operated, leased, or controlled motor vehicles, against injuries or damages arising out of the operation thereof. If the board deems it advisable, insurance may be procured and paid for from any funds available. Any insurance contract covering such risk shall contain as a condition precedent, a clause or provision expressly waiving the defense, by the insurer, that the district is engaged in a governmental function. The payment of any insurance premiums by such district shall not hereby make the district liable for any injuries or damages incurred by such transportation.

Subd. 10. The board may provide and pay the premiums for the protection for school children, instructors and automobile owners, and any other agency cooperating in providing cars for districts where driver training courses are being offered, against public liability, property damage, collision, fire and theft, arising out of the operation of any vehicle used in the courses. Nothing herein shall make the district liable for injuries resulting from the actions of such persons.

Subd. 11. The board may provide and pay the premiums for insurance against injuries resulting to its pupils while assigned to and acting on a school safety patrol, which insurance may provide for the payment of either cash benefits to such injured pupil or for the payment of hospital and medical benefits to or for such injured pupil, or both. Nothing herein shall be construed to in any way make the district liable for such injuries.

Subd. 12. The board may enter into contracts for the removal of snow from roads used for regular bus routes transporting pupils to and from school either within or without the district.

Subd. 13. No board shall enter into any agreement for the transportation of pupils in any motor vehicle, or operate any bus, with a seating capacity of more than ten passengers, unless each vehicle used for such purposes have an emergency exit located in the center of the rear portion of the bus body, and the exit to be in condition for use at all times. No school board shall hereafter purchase any bus with a seating capacity of more than 48 pupils, if such bus is to be used on rural roads or highways, unless it be mounted on a chassis equipped

with an additional trailer axle that is to be used during the spring of the year when roads are restricted to four-ton axle load. No board shall hereafter enter into any agreement for the transportation of pupils on rural roads or highways in any motor vehicle which has a seating capacity of more than 48 pupils unless it be mounted on a motor chassis equipped with an additional and suitable trailer axle to be used during the spring of the year when highways are restricted to four-ton axle load. This trailer rear axle requirement shall not, however, apply to a bus purchased or operated by a school board of any district or by a contract hauler in those cases where the routes over which such bus is to be operated shall first have been approved by the local town or county road authorities concerned or in the case of trunk highways by the state commissioner of highways. Existing agreements for school buses for the transportation of pupils in motor vehicles with a capacity of more than 48 pupils may be renewed for the particular motor vehicles named in said existing agreements even though such bus be not mounted on a chassis equipped with trailer rear axles. All such vehicles used in the transportation of pupils shall conform to the rules and regulations of the state board of education.

Sec. 9. [122.491] **Independent school districts, specific powers and duties.** Subdivision 1. The board shall provide for the payment of all just claims against the district in cases provided by law.

Subd. 2. In all proper cases, the board shall prosecute and defend actions by or against the district.

Subd. 3. The board may receive, for the benefit of the district, bequests, donations, or gifts for any proper purpose and apply the same to the purpose designated. In that behalf, the board may act as trustee of any trust created for the benefit of the district, or for the benefit of pupils thereof, including trusts created to provide pupils of the district with advanced education after completion of high school, in the advancement of education.

Subd. 4. The board may employ qualified accountants for the purpose of auditing, examining and reporting upon the books and records of the district.

Subd. 5. The district may destroy the following records:

(1) Claims and vouchers paid by the district more than ten years prior to such destruction;

(2) Receipts, miscellaneous papers, and correspondence bearing dates more than ten years prior to destruction.

(3) Orders and checks paid more than ten years prior to destruction.

The officer having custody of said records shall obtain written approval of the governing body of the district. The approval shall be in the form of a resolution listing the classes of records authorized to be destroyed and the range of dates in each class. A copy of the resolution consenting to the destruction of such records shall be sent to the state archives commission. If no petition or application requesting the records from the historical society is received by said school district within 30 days after mailing of the resolution, the records shall be destroyed by the officer having custody.

This subdivision is supplementary to other statutory or charter authority to destroy obsolete district records and does not prevent destruction of such records at an earlier time or the destruction of other records when authorized by other statutory or charter provision.

Subd. 6. The board of any district which prior to the adoption of this code was classified as a ten or more township district, a county district, or a consolidated district, or any district which possessed the powers of a consolidated district or any district which contains at least 18 sections of land and any county board of education for unorganized territory, may acquire by lease, purchase or condemnation a site and erect thereon necessary and suitable buildings as and for a dwelling for its teachers and employees. The board in such district may sell, lease or otherwise dispose of any property so acquired.

Subd. 7. In special districts within a city of the first class converted into independent district, the board, by a majority vote thereof, may issue and sell not to exceed \$1,000,000 par value bonds of such district in each calendar year. The proceeds of the sale of such bonds shall be used only for the rehabilitating, remodeling, expanding and equipping of existing school buildings or for the acquisition of sites, construction and equipping of new school buildings, or for acquisition and betterment purposes. The provisions of this section shall apply to the issuance and sale of such bonds and to the purposes for which the same may be issued notwithstanding any provision to the contrary in any other existing law or city charter relating thereto; and no provision of any law of Minnesota enacted in 1949 or thereafter shall be construed as inconsistent or as repealing the provisions of this section unless such subsequent law shall specifically provide that the provisions of this section shall be superseded, modified, amended or repealed.

Sec. 10. [122.493] Limitation of article. Material

contained in this article, unless expressly stated otherwise, relates only to independent school districts.

Sec. 11. [122.495] Board of independent school district may procure liability insurance for officers and employees. The governing body of any independent school district may procure insurance against liability of the school district or of its officers and employees for damages resulting from wrongful acts and omissions of the school district and its officers and employees, whether the acts or omissions relate to governmental or proprietary functions of the school district. Insofar as this insurance relates to governmental functions of the school district, the policy of insurance shall contain a provision under which the insurance company agrees to waive the defense of governmental immunity up to the limits of the policy unless the school district consents to the assertion of that defense.

ARTICLE VI

Section 1. [122.511] Special school districts. Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of this code relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control.

ARTICLE VII

Section 1. [122.611] Unorganized territory. Subdivision 1. The power of providing for the education of children of school age residing in any unorganized territory within the state shall be vested in the county board of education for unorganized territory of the county where such unorganized territory is situated.

Subd. 2. The chairman of the board of county commissioners, the county superintendent, and the county treasurer, shall, ex officio, compose the county board of education for unorganized territory in each county. The chairman of the county board shall be the chairman of the county board of education for unorganized territory; the county treasurer shall be treasurer of this board; and the county superintendent shall be the clerk of this board of education.

In any county now or hereafter having more than 15,000 inhabitants and an area of more than 3,000 square miles, the

county board of said county shall elect one of its members for a term to be determined by said county board who shall serve in place of the chairman and said member elected by said county board shall be the chairman of the county board of education for unorganized territory of said county, but not extending beyond his term as county commissioner.

Subd. 3. The county attorney shall act as counsel for the board of education for unorganized territory.

Subd. 4. Should a vacancy occur in this board of education or should any member thereof refuse or be incapacitated to serve upon this board, the county board shall fill such vacancy as provided in section 375.08.

Subd. 5. The county board of education for unorganized territory shall meet once each month at the county seat, at a time to be fixed by the board, for the purpose of transacting the business of the board. The board may also hold special meetings as may be deemed necessary.

Subd. 6. It shall be the duty of the county board of education for unorganized territory to furnish school facilities to every child of school age residing in any part of the unorganized territory, either by building school houses, leasing school rooms, transporting the children to the nearest school, boarding the children within convenient distance from a school at the expense of the board, or otherwise, and to provide necessary supplies and text and library books.

The county board of education for unorganized territory may also employ such clerical, stenographic, and supervisory help as may be needed who shall perform such other services as the board may direct.

Subd. 7. The clerk of the board shall perform the same duties and make the same reports as the clerk of an independent district.

Annually, on the first Friday after the first Monday in July, the clerk of such board shall make a full and accurate statement of the receipts and disbursements of such board for the preceding school year, which shall contain a full and correct description of each item, from whom and on what account received, to whom paid and on what account expended, together with an accurate statement of the finances of the county board of education at the end of such year, including all debts and liabilities and the assets to discharge the same and, within 30 days thereafter, the county board of education for unorganized territory shall cause the same to be published once in a legal newspaper published in the county, which

paper, in counties having over 100,000 population, shall be a daily paper.

Subd. 8. The treasurer of the board shall perform the same duties and make the same reports as the treasurer of an independent district.

Subd. 9. For their services, the chairman of the board of education shall be paid one-half of one percent of the cash disbursements for the year but not to exceed \$300 in any one year and expenses including seven cents per mile for distance actually traveled by him in performance of his duties not exceeding the total sum of \$400 in any one year from such mileage and expenses; the treasurer of the board shall be paid one percent, and the clerk one percent, of the cash disbursements for the year, but the compensation to be paid to the treasurer and clerk in counties having less than 55 schools in its unorganized territory shall not exceed in any one year the total sum of \$800 for treasurer, and \$1,200 for clerk, but only after all reports required by law have been made in conformity thereto. This subdivision shall not apply to counties having a population of more than 200,000.

Subd. 10. The board of education for unorganized territory shall, annually, on the third Saturday of July, make a levy on all property situated in unorganized territory of the county for authorized school purposes. This tax levy shall be known as the special unorganized school levy and it shall be so spread on the tax lists by the county auditor.

Subd. 11. When not otherwise provided, the powers and duties of the county board of education for unorganized territory shall be the same as those of school boards of independent districts.

Subd. 12. The county board of education for unorganized territory is authorized to acquire sites by lease, purchase or condemnation and to erect thereon necessary buildings as dwellings for its teachers and employees. It is authorized to sell or otherwise dispose of any property so acquired.

Subd. 13. The county board of education for unorganized territory in any county in the state is hereby authorized and fully empowered by unanimous vote of such board to issue and sell bonds of such unorganized territory for the purpose of providing school sites, school buildings and teacherages, for paying any judgment lawfully rendered against it, or for refunding outstanding bonds, or floating indebtedness, in such amounts and at such periods as the board may decide; the bonds to be payable in such amounts and at such times, not exceeding 20 years, as the board may determine, with

interest thereon not to exceed six percent per annum, which bonds shall be signed by the chairman and the treasurer of the board and countersigned by the clerk thereof. Any bonds issued hereunder shall be sold conformable to the provisions of section 475.60.

Subd. 14. In any county of this state now or hereafter having unorganized territory with an assessed valuation of all taxable real and personal property of more than \$1,500,000 and having at any time an area of more than 3,500 square miles, the board of education of such unorganized territory shall have authority, and is hereby empowered, by the unanimous vote of such board, to issue and sell the bonds of such unorganized territory, as above provided. The net bonded indebtedness of such unorganized territory shall at no time exceed 85 percent of its assessed valuation.

Subd. 15. The sale of these bonds shall be conformable to the provisions of section 475.60, or by contracting with the United States government for the purchase of these bonds without calling for bids therefor, and that no bonds shall be authorized or sold unless notice shall have first been given to the electors of such unorganized school district setting forth the proposal to issue such bonds, the amount thereof, the rate of interest, the maturity dates thereof, and the purpose for which the proceeds of such bonds will be used; and also a description of the project or projects to be undertaken and completed, the estimated cost of each and the estimated total cost, which notice shall be in writing, and signed by the members of the county board of education for unorganized territory and addressed to the electors of such district, and specify the date, time and place of meeting of the county board of education for unorganized territory when such proposal shall be considered, and published in one issue of three legal newspapers of general circulation in the district. The notice shall require any electors having objections to appear and show cause, if any, why such bonds should not be authorized and sold. The county board of education for unorganized territory at the time and place mentioned in the notice shall hear all objections and thereafter shall decide whether such bonds shall be authorized and sold.

Subd. 16. Every county board of education for unorganized territory issuing bonds is hereby required annually to levy taxes upon all the taxable property in such unorganized territory sufficient to pay the interest on such bonds and to provide a sinking fund for the payment of the principal of such bonds at maturity.

Subd. 17. The county board of education for unorgan-

ized territory, by unanimous vote of the members thereof, may issue bonds for the purpose of refunding any bonds issued by an organized school district which has been dissolved and its territory reverted to unorganized territory, which refunding bonds shall be chargeable against the territory that was chargeable with the payment of the bonds so refunded. The power to issue such bonds shall remain in the county board of education for unorganized territory notwithstanding the dissolved territory, or a part thereof, shall have again become organized territory. Such refunding bonds shall not run for a period shorter than five years nor longer than 20 years. The first refunding bond shall be due in not more than six years from the date of its issuance and shall be for not less than one-fifteenth of the total bond issue in question nor more than one-fifth thereof and each subsequent bond shall be for a like amount and be payable one year from the maturity date of the bond to be paid the preceding year. The county auditor shall extend a tax against all the taxable property within the territory chargeable in the first instance with the payment of the bonds so refunded sufficient to pay the interest on such refunding bonds and any instalment of principal that may be due in the following year. Such tax for the first year shall be 50 percent in excess of the amount to be due the succeeding year, and thereafter each yearly levy shall be in such amount in excess, not exceeding 50 percent, of the amount to be due the succeeding year, as the auditor may deem necessary. The county treasurer, upon the collection of such tax, shall apply the proceeds thereof to the payment of such interest or instalment of principal and file with the county auditor receipts therefor, together with the canceled bonds so taken up. The state board of investment may invest the funds under its control in any refunding bonds so issued under the provisions of this section.

Subd. 18. When a new county or counties have been or may hereafter be created and organized out of territory embraced within the boundaries of one or more organized counties and in which there is unorganized school territory, and lying partly within the old and new counties, or wholly within the new county, the county boards of education for unorganized territory of the old and new counties shall meet upon the written request of the county superintendent of either county at such time and place as shall be designated in the request, which request shall be served upon each member of each county board of education for unorganized territory of the counties affected at least five days before the time of such meeting and make a division of all the money, funds, and credits belonging to such unorganized school territory as the same existed prior to the division of the county or counties

and, in making such division, the board shall take into consideration the indebtedness of the unorganized school territory and make such division as they deem just and equitable and all such money, funds, credits, and property shall be divided and apportioned to the respective unorganized territory in the old and in the new county in proportion to assessed valuation of taxable property in such unorganized territory, respectively, in such old and new county, at the last assessment thereof.

Subd. 19. In such cases and in case the county boards of education for unorganized territory of the old and new counties shall fail to meet pursuant to the notice provided, the county superintendents of the old and new county or counties and the state commissioner of education, or his deputy, shall constitute a board of apportionment and, upon the written application of the county board of education for unorganized territory of either county affected, shall make a division of all the money, funds, credits, and property as provided which apportionment shall be in writing and verified by the state commissioner of education, or his deputy, and by at least one of the county superintendents of the counties affected and filed in the office of the secretary of state and be final and conclusive. Within five days after the filing of this apportionment, the secretary of state, if apportionment is made as provided in this section, or the superintendent of schools of each county, if such apportionment is made as provided, shall transmit to the treasurers of the counties affected by the apportionment a certified copy of such apportionment and application, if any.

Subd. 20. The county boards of education for unorganized territory and the county officials of the old and new counties shall forthwith after such division and apportionment proceed to fulfill and carry out the terms thereof.

ARTICLE VIII

Section 1. [122.711] Appeals. Subdivision 1. Any district or any person aggrieved by order of the county board or order of the commissioner, or order of the county superintendent, made pursuant to the provisions of this code, may appeal from such order to the district court upon the following grounds:

1. That the county board, the commissioner, or the county superintendent had no jurisdiction to act;
2. That the county board, the commissioner, or the county superintendent exceeded its jurisdiction;

3. That the action appealed from is arbitrary, fraudulent, capricious or oppressive or in unreasonable disregard of the best interests of the territory affected.

4. That the order or action appealed from is based upon an erroneous theory of law.

An appeal from an order of a county board shall be taken by serving a notice of appeal upon the county auditor. An appeal from an order of the commissioner shall be taken by serving a notice of appeal upon the commissioner. An appeal from an order of the county superintendent shall be taken by serving a notice of appeal on the county superintendent. An appeal from an order of a county board or a county superintendent shall be taken to the district court for the county of the board or superintendent. An appeal from an order of the commissioner shall be taken to the district court for Ramsey County. Notice of appeal must be served within 30 days of the issuance of the order appealed from and shall be accompanied by a corporate surety bond in the amount of \$250, conditioned for the payment of all costs taxed against appellant on such appeal. The notice of appeal shall be filed with the clerk of the district court and noticed for hearing in the manner provided for the trial of civil actions by Minnesota Rules of Civil Procedure. Upon such appeal, the district court shall hear evidence de novo to determine whether the order appealed from is based upon an erroneous theory of law or is arbitrary, fraudulent, capricious, or beyond the jurisdiction of the issuing authority, or in unreasonable disregard of the best interests of the territory affected.

Subd. 2. An appeal lies from the district court to the Supreme Court in accordance with the provisions of Minnesota Statutes 1953, Chapter 605.

ARTICLE IX

Section 1. [122.811] Limitations. Every district which for one year shall have exercised the powers and franchises of a district shall be deemed legally organized.

Sec. 2. [122.821] Plats. The auditor shall keep in his office books containing a correct plat and description of each district, whether wholly or partly in his county, and of the unorganized territory. The auditor shall submit, on or before December 31 of each year, to the state department a description and plats showing changes made in district boundaries during the calendar year.

Sec. 3. [122.831] Eminent domain. In any municipal corporation or district in this state where the governing

body or board has the right, power, and authority to purchase sites for school buildings without authorization by the voters at a regular or special meeting or election called for that purpose, such governing body or school board shall have the right, power, and authority to condemn lands under the right of eminent domain for sites and grounds for public school buildings and such power and authority shall be exercised under and pursuant to the terms and provisions of chapter 117. Any such corporation or school district shall have the right, upon the filing of the award of the commissioners provided for in chapter 117, and upon giving the notice therein required of the filing of such award, to enter upon and appropriate the lands so condemned without the giving of any bond, but in case of such entry and appropriation, such corporation or school district shall be bound absolutely to pay all damages awarded, either by the commissioners or by the court upon appeal therefrom, together with all costs and expenses adjudged against it therein, within the time specified in chapter 117. In case any such corporation or school district shall appeal from the award of commissioners appointed pursuant to any such condemnation proceedings, such corporation or school district shall not be required to give or file any appeal bond therein.

Sec. 4. [122.841] Agricultural education. The board of any district in which instruction in agriculture is afforded is authorized and empowered to purchase or otherwise acquire by condemnation proceedings as provided for acquiring school house sites in the name and in behalf of such district, a suitable tract of land either within or without the limits of such district to be used for the purpose of instruction, experimentation, and demonstration in agriculture. The provisions of this section shall apply as well to districts organized under special acts as under the general laws, notwithstanding any provisions or restrictions in the laws under which the same are organized.

Sec. 5. [122.851] Discontinuance of schools. The board of any district in any emergency or upon authorization by a majority of the voters present at any regular or special school meeting of the district, may provide for the instruction of its pupils in an adjoining or nearby district and, in such case, may discontinue the schools of its own districts or of any grades in said schools, in which case it shall provide for the free tuition and transportation of the pupils of its own district to the school in an adjoining or nearby district. Such free transportation shall conform to the rules and regulations of the state board of education. The teachers shall keep the registers separately for the pupils from each district discon-

tinuing its schools and return the registers and make separate records to the clerk of such district and to the county superintendent of the number and names of pupils, with their attendance, and such district shall retain its organization and be entitled to special state aid under such rules as may be fixed by the state board of education.

Sec. 6. [122.861] Records as evidence. The records of all districts and boards and all transcripts thereof, or any part thereof, certified by the clerk or other officer having custody thereof, shall be prima facie evidence of the facts therein stated and all records, books, and papers of such district or board shall be subject to the inspection of any voter of the district.

Sec. 7. [122.871] County attorney, duties. When the boundaries of any district are coterminous with the boundaries of a county unless the board retains separate counsel, the county attorney may serve as attorney for the board without additional compensation from the district, but the board of county commissioners of such county may allow such additional compensation for legal services rendered to the board as the board of county commissioners deems proper.

Sec. 8. [122.881] Saving clause. Any statutes not expressly repealed or otherwise provided for by this code which refers to a classification or type of school district which is eliminated or converted by the enactment of this code shall be deemed to continue to apply to any district to which it would have applied prior to the conversion or elimination of the classification. Nor shall this code be construed as having any litigation pending at the time of its adoption.

Sec. 9. Repealer. Minnesota Statutes 1953, as amended by Laws 1955, Sections 122.01 to 122.571, 123.01 to 123.23, 123.30 to 123.57, 124.01 to 124.10, 124.12 to 124.26, 125.01 to 125.09, 125.10 to 125.33, 125.41 to 125.43, 133.05 are repealed.

Sec. 10. Effective date. This code becomes effective on July 1 next following its adoption.

Sec. 11. [122.891] County school districts; continuance, laws applicable. Any school district classified as a county school district at the time of the enactment of this code shall continue to operate under the laws now governing it. The provisions of this code relating to independent school districts shall apply to and govern each county school district unless the particular laws governing the county school district provide for the matter, in which case the provisions relating to the county school district shall apply and control.

ARTICLE X

Section 1. [122.911] Commissioner of education to assign identification number to school districts. Subdivision 1. As soon as practicable after the passage of this act, the commissioner of education shall, by order, assign an identification number to each district. The assignment shall be made so that each classified district has an identification number which is exclusive to it in its classification.

Subd. 2. Upon making the assignment of an identification number the commissioner of education shall forthwith notify the clerk of the district and the county auditors of the counties in which any part of the district lies of the identification number assigned. A certified copy of the order may be recorded in the office of the register of deeds to show the new legal name of the district.

Subd. 3. From and after the making of the order, the legal identification of the district shall become and be as assigned. All records, correspondence, reports and references to the district shall thereafter refer to the district by its proper title as assigned.

Subd. 4. A number once assigned a district under this act shall not be used again to identify any district in the same classification. As the need arises, and as required by law, as new districts are formed, the commissioner of education shall assign unused numbers as identification. When numbered districts are dissolved, the numbers assigned them will not be reassigned to any other district.

Subd. 5. This act has no effect on any of the corporate powers, duties, responsibilities or obligations of any district except insofar as necessary to effect a change of title and method of identification of districts.

Approved April 29, 1957.

CHAPTER 948—S. F. No. 1916

[Not Coded]

An act authorizing certain cities of the fourth class to incur indebtedness and to issue bonds for the purpose of acquiring, constructing and equipping a community hospital and the levying of taxes therefor; amending Laws 1957, Chapter 277, Section 1.

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