

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

Section 1. Laws 1965, Chapter 214, Section 1, is amended to read:

Section 1. **Polk county; library board; mileage.** The county board of Polk county may pay mileage to the members of the library board at the rate of $7\frac{1}{2}$ cents per mile *the current rate fixed by the county board* for every mile necessarily travelled in attending monthly meetings of the library board.

Sec. 2. *Section 1 is effective upon its approval by the county board of Polk county and upon compliance with Minnesota Statutes, Section 645.021.*

Approved May 24, 1967.

CHAPTER 769—H. F. No. 2507

[Coded]

An act relating to education; prescribing a foundation aid program for fiscal years 1968 and 1969 and thereafter; repealing Minnesota Statutes 1965, Section 124.21.

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

Section 1. **[124.211] Education; foundation aid program.**
Subdivision 1. The foundation aid program for fiscal years 1968 and 1969 and each year thereafter is governed by the terms and provisions of this section.

Subd. 2. Notwithstanding any of the provisions of the education code or any law to the contrary the moneys otherwise appropriated by law for the foundation aid program shall be distributed for fiscal years 1968 and 1969 and thereafter pursuant to the following:

(1) Foundation program aid shall be special state aid for schools as computed under the terms of this section. No district shall be eligible for foundation program aid as thus computed which charges nonresidents more than its otherwise unreimbursed per pupil unit cost during the current school year for capital outlay and debt service plus either its adjusted maintenance cost per pupil unit or 140 percent of the per pupil unit allowance established in clause (2) (a) of this subdivision, whichever is less, notwithstanding the

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provisions of any law to the contrary, except that the otherwise unreimbursed full per pupil unit cost thereof for nonresidents attending classes for handicapped children may be recovered by districts maintaining such classes.

(2) The maximum amount of foundation program aid, including the amounts payable as apportionment of the school endowment fund and Minnesota Statutes, Section 290.62, which a district or unorganized territory may receive shall equal (a) or (b) as calculated under the provisions of this subdivision, whichever is greater, less the maximum foundation program aid payable to the county for resident pupils of the district, computed under the provisions of this subdivision:

(a) For the school year ending June 30, 1968, aid shall be paid to a district on the basis of its actual total debt redemption and maintenance cost per pupil unit in average daily attendance or \$345, whichever is the lesser, for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance less 19 mills times the current adjusted assessed valuation of the district or unorganized territory; for the school year ending June 30, 1969, and each year thereafter aid shall be paid to a district on the basis of its actual total debt redemption and maintenance cost per pupil unit in average daily attendance or \$355, whichever is the lesser, for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance less 19 mills times the current adjusted assessed valuation of the district or unorganized territory; provided, that for the purpose of this subdivision the current adjusted assessed valuation in any district or unorganized territory which receives refunds under the gross earnings aid law or airport construction aid law or any similar law granting refunds or payments in lieu of taxes except Minnesota Statutes, Sections 124.25, 124.30, 124.31 and 360.135 shall include the taxable valuation of exempt property used in computing the amount of such refund; also provided that, for the fiscal year beginning July 1, 1968, and thereafter, for districts receiving payments under Minnesota Statutes, Sections 298.23 to 298.28, 298.32, 298.34 to 298.39, and 294.21 to 294.28, or under any other law now existing or hereafter enacted distributing proceeds of in lieu of ad valorem tax assessments on copper or nickel properties, the adjusted assessed valuation as determined by the equalization aid review committee used in the foundation aid formula shall be increased by 15 percent of the previous year's payment so received divided by the current foundation program local effort rate as defined below. None of the other provisions of this act shall be construed to reduce the percentage listed in the prior sentence. The

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amount payable under (a) shall be reduced whenever the quotient hereinafter referred to as the local effort, obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, and group insurance, where identified as such, on the taxable property of the district on or before January 10 of the current school year by the current adjusted assessed valuation used in computing the district's aid exclusive of the valuation applied in determining refunds under Minnesota Statutes, Section 124.28, and exclusive of any valuation increase prescribed above because of any laws pertaining to the sections specified in this clause equals less than 19 mills. The adjustment shall be made by deducting from the foundation aid due under (a) the amount obtained by multiplying the current adjusted assessed valuation of the district by the number of mills the local effort as calculated in accordance with this subdivision is less than 19 mills.

(b) \$124 for each resident elementary, secondary, and area vocational-technical school pupil unit in average daily attendance for the school year ending June 30, 1968 and \$127 for the school year ending June 30, 1969, and each year thereafter. The amount payable under (b) for the school year ending June 30, 1968 shall be reduced whenever a district's total debt redemption and maintenance cost as defined in clause (5) in subdivision 2 is less than \$345 per pupil unit in average daily attendance. The amount payable under (b) for the school year ending June 30, 1969 and each year thereafter shall be reduced whenever a district's total debt redemption and maintenance cost as defined in clause (5) in subdivision 2 is less than \$355 per pupil unit in average daily attendance. The adjustment for the school year ending June 30, 1968, shall be made by deducting from the amount due under (b) the number of the district's resident pupil units in average daily attendance times the difference between \$345 and the district's total debt redemption and maintenance cost per pupil unit in average daily attendance. The adjustment for the school year ending June 30, 1969 and each year thereafter shall be made by deducting from the amount due under (b) the number of the district's resident pupil units in average daily attendance times the difference between \$355 and the district's total debt redemption and maintenance cost per pupil unit in average daily attendance.

The amount payable under (b) shall be further reduced whenever the quotient hereinafter referred to as the local effort obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, and group insurance, where identified as such, on the taxable property of the district on or before January 10 of the current school year by

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the current adjusted assessed valuation equals less than 19 mills. The adjustment shall be made by deducting from the foundation aid due under (b) the amount obtained by multiplying the current adjusted assessed valuation of the district by the number of mills the local effort as calculated in accordance with this subdivision is less than 19 mills; provided, however, that for the purpose of this paragraph the amount payable under either (a) or (b) shall not be reduced below the amount payable as apportionment of the school endowment fund. In order to meet the conditions of clauses (a) and (b) of this subdivision and of the next preceding paragraph and to avoid the reduction of the school aids therein provided for, any governing body which is limited by local charter or by any provision of law, general or special, from levying 19 mills as required to meet the conditions of said clauses (a) and (b) and the next preceding paragraph, may levy, notwithstanding the provisions of such charter or law to the contrary, such additional number of mills as will enable it to meet such conditions.

(3) The maximum amount of foundation program aid which a county may receive as partial reimbursement for tuition paid shall be the total of the amounts of maximum foundation program aid earned by the attendance in classified secondary or area vocational-technical schools of pupils residing in districts of the county which do not maintain classified secondary schools. For each such district in which clause (2) (a) in subdivision 2 determines the maximum foundation program aid due, the maximum foundation program aid paid to the county shall be that amount which bears the same ratio to the maximum foundation program aid to which the district is entitled under clause (2) (a) as the total number of secondary and area vocational-technical school pupil units of the district bears to the total number of elementary, secondary, and area vocational-technical school pupil units of the district. For each such district in which (b) in subdivision 2 determines the amount of maximum foundation program aid due, the maximum foundation program aid paid to the county shall be \$124 times the total number of secondary and area vocational-technical school pupil units of the district for the school year ending June 30, 1968 and \$127 for the school year ending June 30, 1969, and each year thereafter except that whenever a district's total debt redemption and maintenance cost as defined in clause (5) of subdivision 2 in the school year ending June 30, 1967 is less than \$345 per pupil unit in average daily attendance or in the school year ending June 30, 1968 and each year thereafter is less than \$355 per pupil unit in average daily attendance, the aid for the school year ending June 30, 1968 or for the school year ending June 30, 1969,

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respectively, and each year thereafter shall be reduced as provided under (b) in subdivision 2.

The amount payable under this subdivision shall be further reduced whenever the quotient obtained by dividing the levy spread in dollars for maintenance, including county tuition, public employees retirement association, and group insurance, where identified as such, on the taxable property of the district on or before January 10 of the current school year by the current adjusted assessed valuation equals less than 19 mills. The adjustment shall be made as provided under (b) in subdivision 2.

(4) Current adjusted assessed valuation for the purpose of this act means the adjusted assessed valuation as determined by the equalization aid review committee under the provisions of this section; provided that for the 1965-1966 school year it shall mean the correct assessed valuation approved by the equalization aid review committee and filed with the commissioner of education in the calendar year 1963 and annually thereafter.

(5) Actual total debt redemption and maintenance cost per pupil unit in average daily attendance for the purpose of this section shall mean the sum of the cost per pupil unit in average daily attendance for payments on principal and interest of bonded debt and maintenance exclusive of transportation, expenditures for junior colleges, veterans training program, community services, and receipts from the sale of other items sold to the individual pupil by the school such as lunches, paper, workbooks, and other materials used in the instructional program, and receipts from quasi-school activities when the school board has assumed *direction and control of same*; provided, that for the 1965-1966 school year it shall mean the 1964-1965 total debt redemption and maintenance cost per pupil unit in average daily attendance as indicated in this clause and for years to follow it shall mean the total debt redemption and maintenance cost per pupil unit in average daily attendance in the previous year.

Subd. 3. The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, and the commissioner of taxation, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the correct full and true valuation of taxable property in such district, then said committee shall call upon the department of taxation to ascertain the correct full and true value of such property, and adjust such values as required by law to determine the correct assessed

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valuation. The department of taxation shall take such steps as it may consider necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of taxation is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such corrected valuation. On July 1, annually, the department of taxation shall submit its report to said committee for approval or rejection and, if approved, such report shall be filed with the commissioner of education not later than the following January 1, and shall replace, for the school year following the next January 1, the valuation figure provided by any county auditor for the calculation of foundation aid and gross earnings aid. A copy of this report shall be forthwith mailed by certified mail to the clerk of each district involved and to the county auditor and the county assessor or supervisor of assessments of the county or counties in which such district is located.

Subd. 4. In any district maintaining a classified secondary school in which the correct assessed valuation, exclusive of property valuation added, improved, reclassified or reassessed since the prior assessment, has increased more than 15 percent over the correct assessed valuation determined on the basis of the prior assessment, the equalization aid review committee shall review and redetermine the correct assessed value for the year 1960 and subsequent years when an application for such review is made by the district within 12 months after receipt of a copy of the report filed with the commissioner of education with respect to such prior year.

(a) The committee shall not increase the adjusted assessed valuation, exclusive of property valuation added, improved, reclassified, or reassessed since the prior assessment, of taxable property for 1962 or any subsequent year in any school district maintaining a classified secondary school by more than eight percent over the certified valuation established for the year immediately preceding.

(b) Whenever the next succeeding correct assessed valuation of any district maintaining a classified secondary school is more than eight percent less than the correct assessed valuation used in calculating the foundation aid due and payable to the district for any given school year, the state board of education may, upon application by the district prior to June 30 of such school year, authorize payment of additional foundation aid in the August adjustment following such school year in the amount of 19 mills times the difference in the said two successive correct assessed valuations.

(c) The sales ratio studies, or any part thereof, or any copy of the same, or records accumulated in preparation thereof, which are prepared by the commissioner of taxation for the equalization

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aid review committee for use in determining school aids pursuant to this section, shall not be admissible in evidence in any proceeding, except actions for review of the determination of the school aids payable under this section.

(d) Notwithstanding any provisions to the contrary in Minnesota Statutes, Section 275.12, any school district which experiences a population increase due to consolidation or enlargement by any other means shall be entitled to levy for all general and special school purposes under the same provisions of section 275.12 as were applicable to the district during the 1966 calendar year.

Subd. 5. Should any district, within 60 days after receipt of a copy of a report filed with the commissioner of education made pursuant to subdivision 3, or notice of redetermination made pursuant to subdivision 4, be of the opinion that the equalization aid review committee has made an error in the determination of the school district's correct full and true valuation, it may appeal from the report or portion thereof relating to the school district to the tax court, as provided in subdivisions 6 to 11.

Subd. 6. The school district shall file with the clerk of the tax court a notice of appeal from the determination of the equalization aid review committee fixing the correct full and true valuation of the school district, and such notice shall show the basis of the alleged error. A copy of such notice of appeal shall be served upon the commissioners of taxation and education, and proof of service shall be filed with the clerk of the court.

Subd. 7. Upon receipt of the notice of appeal the tax court shall review the notice of appeal and determine whether it appears from the allegations and proofs therein contained that an error has been made in the determination by the equalization aid review committee of the correct full and true valuation the property in the school district. If the court finds it probable that such an error has been made, it shall notice the matter for hearing; otherwise, it shall dismiss the appeal and notify the parties thereof. Hearing shall be set and held in the same manner as other hearings of the tax court are set and heard. The attorney general shall represent the commissioners of taxation and education and equalization aid review committee; the administrative procedure act, Minnesota Statutes, Section 15.0415 to 15.0422, shall apply to hearings insofar as it is applicable.

Subd. 8. The tax court shall hear, consider and determine such appeal, de novo upon the issues made by the notice of appeal,

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if a hearing has been granted thereon. At the conclusion of the hearing the court shall (1) file findings of fact, or (2) re-refer the issues to the equalization aid review committee with instructions and recommendations for a determination and correction of the full and true valuation of the appealing school district. The decision of the tax court, if it decides the matter de novo, shall have the same force and effect as a determination by the equalization aid review committee in the first instance under this section, and the equalization aid review committee shall be notified thereof. If the matter is re-referred to the equalization aid review committee a redetermination by the equalization aid review committee in accordance with the recommendations of the tax court shall likewise have the same force and effect as a determination by it in the first instance under this section.

Subd. 9. In addition to the powers and duties of the tax court as prescribed by Minnesota Statutes, Chapter 271, and any act amendatory thereof, any hearing ordered pursuant to the provisions hereunder may be heard by a hearing examiner in lieu of one or more members of the tax court. If a hearing is conducted by a hearing examiner, such hearing examiner shall exercise the same powers conferred by law upon one or more members of the tax court. He shall report to the court. The court is authorized to make findings of fact based on the report of the hearing examiner in the same manner as is required by these provisions when the hearing is conducted by the court. The tax court may employ hearing examiners upon such terms and conditions as it shall prescribe. A hearing examiner so appointed shall be in the unclassified service of the state.

Subd. 10. A decision of the tax court pursuant to the terms hereof shall be final and shall not be subject to review by any court, except upon certiorari to the supreme court.

Subd. 11. During the pendency of any appeal from an equalization aid review committee evaluation, state aids to the district so appealing shall be paid on the basis of the evaluation or determination by the equalization aid review committee subject to adjustment upon final determination of the appeal.

Subd. 12. None of the provisions of Minnesota Statutes, Chapter 16, shall apply to appropriations enacted to carry out the provisions of this section.

Sec. 2. Minnesota Statutes 1965, Section 124.21, is repealed.

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Sec. 3. This act is in effect on July 1, 1967 and thereafter.
Approved May 24, 1967.

CHAPTER 770—H. F. No. 2510

An act relating to employment security; amending Minnesota Statutes 1965, Section 268.12, Subdivision 5.

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

Section 1. Minnesota Statutes 1965, Section 268.12, Subdivision 5, is amended to read:

Subd. 5. Employment security; administration; assistance.
(1) Subject to the provisions of the state civil service act and to the other provisions of sections 268.03 to 268.24 the commissioner is authorized to appoint, and prescribe the duties and powers of, such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of his duties thereunder. The commissioner may delegate to any such person so appointed such power and authority as he deems reasonable and proper for the effective administration of those sections and may, in his discretion, bond any person handling moneys or signing checks thereunder. The commissioner is authorized to adopt such personnel and fiscal regulations as he deems necessary to satisfy fiscal and personnel standards required by the secretary of labor pursuant to the Social Security Act, as amended, and the act of Congress entitled "An act to provide for the establishment of a national employment system and to cooperate with the states in the promotion of such system and for other purposes," approved June 6, 1933, as amended. The commissioner may, subject to the approval of the commissioner of administration, also adopt regulations relating to reimbursement to department employees for travel expenses incurred while traveling on official business including allowances on a per diem basis in lieu of actual subsistence expenses incurred. The commissioner is also hereby authorized to purchase liability and property damage automobile insurance to cover any automobiles owned by the Minnesota Department of Employment Security for the protection of its employees who may be required to operate the same in pursuit of their duties for the department.

The attorney general shall appoint an assistant attorney general and two special assistant attorneys general, to be in addition to the number now authorized by law. ~~who~~ *The assistant attorney gen-*

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