(2) Each county auditor shall certify, not later than May 1 of each year commencing in 1968, to the state treasurer auditor the amount of reduction resulting from subdivisions 6 and 7 in his county, and not later than May 1 of each year commencing in 1970, the amount of reduction resulting from section 1.

(3) The state treasurer auditor shall pay out of the property tax relief fund to each county treasurer one half of the amount certified under clause (2) not later than June 15 and the remaining half not later than November 15 of each year commencing in 1968 in which certification is made pursuant to that clause.

(4) The county treasurer shall distribute the funds received by him under clause (3) as if they had been collected as a part of the property tax reduced by subdivisions 6 and 7 and section 1.

Sec. 3. This act applies to taxes payable in 1970 and subsequent years.

Approved June 9, 1969.

CHAPTER 1129-S. F. No. 874

[Coded in Part]

An act relating to the organization and operation of state government; amending Minnesota Statutes 1967, Chapter 45, by adding sections; and Sections 16.01; 17.01; 45.03; 46.07, Subdivision 1; 48.15; 53.03, Subdivision 5; 60A.03, Subdivision 7; 80.23; 84.028, Subdivisions 1 and 3; 121.16; 161.03, Subdivision 1; 161.47, Subdivisions 1, 2, 3, 6, and 12, and by adding a subdivision; 161.48; 168.33, Subdivision 2, and by adding a subdivision; 175.001; 179.02; 179.03; 179.04; 179.05; 179.06; 179.07; 179.08; 179.083; 179.09; 179.135; 179.16, Subdivisions 2 and 3; 179.22; 179.23, Subdivisions 1, 2, 3, 5, and 6; 179.38; 179.52, Subdivisions 4 and 5; 179.521; 179.57, Subdivisions 2 and 4; 196.02, Subdivision 1; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 1; 298.22, Subdivision 1; 340.08, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; and repealing Minnesota Statutes 1967, Sections 84.025, Subdivisions 1, 2, 3, 4, and 5; 175.001, Subdivision 3; and 175.06.

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

ARTICLE I

Section 1. [299A.01] Government reorganization: department of public safety; creation and organization. Subdivi-In order that the functions and services of the state of sion 1. Minnesota relating to the safety and convenience of its citizens might be coordinated and directed in an accessible, identifiable manner; and to promote and insure the existing public safety operations of that government, the department of public safety is created under the supervision and control of the commissioner of public safety, which office is established. The commissioner of public safety is appointed by the governor, by and with the advice and consent of the senate for four year term. The governor may remove the commissioner only for cause, after a public hearing. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term. The commissioner may appoint a deputy who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner.

Subd. 2. The duties of the deputy shall include, in addition to such other functions and responsibilities as may be delegated or assigned by the commissioner or imposed by law, the following: (a) The coordination, development and maintenance of services contracts with existing state departments and agencies assuring the efficient and economic use of advanced business machinery including computers;

(b) The execution of contracts and agreements with existing state departments for the maintenance and servicing of vehicles and communications equipment, and the use of related buildings and grounds;

(c) The development of integrated fiscal services for all divisions, and the preparation of an integrated budget for the department;

(d) The establishment of a planning bureau within the department, which bureau shall consult and coordinate its activities with the state planning director.

Subd. 3. Subject to the provisions of this act and to other applicable laws the commissioner shall organize the department and employ such other officers, employees, and agents as he may deem necessary to discharge the functions of his department, define the duties of such officers, employees, and agents and to delegate to

them any of his powers, duties, and responsibilities subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated power shall be by written order filed with the secretary of state. No such delegation or assignment shall be made in respect to, or in a manner resulting in a reenactment of, the powers, duties or responsibilities contained in Minnesota Statutes, Section 626.33, and acts amendatory thereof, except to the division of the bureau of criminal apprehension. Officers, employees, and agents of the department of public safety are in the classified service of the state civil service except where otherwise specifically provided for by law.

Subd. 4. Before entering upon the duties of his office the commissioner of public safety shall take and subscribe an oath and give his bond to the state of Minnesota, to be approved by the governor and filed with the secretary of state, in the sum of \$25,000 conditioned for the faithful performance of his duties.

Subd. 5. The commissioner of administration shall review on a regular basis the duties and responsibilities of the various state departments, agencies and boards which have an operational effect upon the safety of the public, and recommend to the governor and the legislature such organizational and statutory policies as will best serve the purposes of this act.

Subd. 6. The commissioner of public safety shall have the power to promulgate such rules and regulations pursuant to Minnesota Statutes, Chapter 15, as are necessary to carry out the purposes of this act.

Sec. 2. [299B.01] Fire marshal. Subdivision 1. All the powers and duties now vested in or imposed upon the commissioner of insurance as ex officio state fire marshal as prescribed in Minnesota Statutes, Chapters 73, 74, 75, 76, and any other law, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties and responsibilities of the commissioner of insurance as ex officio state fire marshal as heretofore constituted are abolished.

Subd. 2. A division in the department of public safety to be known as the division of fire marshal is hereby created, under the supervision and control of the state fire marshal, who shall be appointed by the commissioner and serve at his pleasure in the unclassified service of the state civil service, to whom shall be assigned the duties and responsibilities described in this section.

Subd. 3. Upon the effective date of this act the individual

occupying the position of assistant commissioner, fire marshal division, shall retain such position for a period of at least 12 months, or until removed for cause.

Sec. 3. [299C.01] Criminal bureau. Subdivision 1. All the powers and duties now vested in or imposed upon the bureau of criminal apprehension or the superintendent of the bureau of criminal apprehension as prescribed by Minnesota Statutes, Chapter 626, or any other law, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The bureau of criminal apprehension and the office of the superintendent of the bureau of criminal apprehension as heretofore constituted are abolished.

Subd. 2. A division in the department of public safety to be known as the bureau of criminal apprehension is hereby created, under the supervision and control of the superintendent of criminal apprehension, who shall be appointed by the commissioner and serve at his pleasure in the unclassified service of the state civil service, to whom shall be assigned the duties and responsibilities described in this section.

Subd. 3. All powers, duties and responsibilities relating to the licensing and regulation of private detectives and protective agents heretofore assigned by law to the secretary of state or any other state department or agency shall be transferred to, vested in and imposed upon the commissioner of public safety.

Subd. 4. The division of the bureau of criminal apprehension shall perform such functions and duties as relate to statewide and nationwide crime information systems as the commissioner may direct.

Sec. 4. [299D.01] Division of highway patrol. Subdivision 1. A division in the department of public safety to be known as the division of highway patrol is hereby created, under the supervision and control of the chief supervisor, who shall be appointed by the commissioner and serve at his pleasure in the unclassified service of the state civil service.

Subd. 2. The chief supervisor, with the approval of the commissioner, may appoint a chief assistant supervisor who shall serve at his pleasure in the unclassified service. The salary of the chief supervisor and the salary of the chief assistant supervisor is fixed by the commissioner of public safety except when such salaries are otherwise expressly provided for by law. The chief assistant supervisor may perform and exercise every power, duty, and responsi-

bility imposed by law upon the chief supervisor when authorized so to do by the commissioner of public safety. If the chief assistant supervisor is removed from his position for other than cause as defined in Minnesota Statutes, Section 161.47, he shall be reinstated to the position that he held in the patrol prior to being promoted to the position of chief assistant supervisor and shall otherwise be subject to the provisions of subdivision 12 of said section.

Subd. 3. Subject to the provisions of this section and to other applicable laws the commissioner of public safety shall organize the division, employ such persons for the Minnesota highway patrol including assistant supervisors and sergeants in the manner and in the number otherwise authorized by law and such other employees and agents as he may deem necessary to discharge the functions of the division, define the duties of such employees and agents and to delegate to them such of his powers, duties and responsibilities, which are not specifically fixed by law, subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated power shall be by written order filed with the secretary of statc. Except for the chief supervisor, the chief assistant supervisor and highway patrol officers of the Minnesota highway patrol, the other employees and agents listed in this section are in the classified service of the state civil service.

Subd. 4. Before entering upon the duties of his office the chief supervisor of the Minnesota highway patrol shall take and subscribe an oath and give his bond to the state of Minnesota, to be approved by the commissioner of public safety and filed with the secretary of state, in the sum of \$10,000 conditioned for the faithful performance of his duties.

Subd. 5. Upon the effective date of this act the individual occupying the position of chief supervisor shall retain such position for a period of at least 12 months, or until removed for cause.

Subd. 6. Subject to the other provisions of this act the powers and duties now vested in or imposed upon the commissioner of highways with reference to the Minnesota highway patrol are transferred to, vested in, and imposed upon the commissioner of public safety. The powers and duties of the commissioner of highways with reference thereto are hereby abolished.

Subd. 7. The legislature by this article is transferring the Minnesota highway patrol to the department of public safety and in so doing is not enlarging or increasing the statutory duties of the personnel thereof, and no part of this act shall be construed as in any way indicating an increase or change in such powers and duties of that organization.

Sec. 5. Minnesota Statutes 1967, Section 161.47, Subdivision 1, is amended to read:

161.47 **Highway patrol.** Subdivision 1. **Members.** The commissioner is hereby authorized to employ and designate a highway safety director, a chief supervisor, a chief assistant supervisor, and such assistant supervisors, sergeants and officers as are provided by law, who shall comprise the Minnesota highway patrol. The members of the Minnesota highway patrol shall have the power and authority:

(1) As peace officers to enforce the provisions of the law relating to the protection of and use of trunk highways.

(2) At all times to direct all traffic on trunk highways in conformance with law, and in the event of a fire or other emergency, or to expedite traffic or to insure safety, to direct traffic on other roads as conditions may require notwithstanding the provisions of law.

(3) To serve warrants and legal documents anywhere in the state in cases initiated by a member of the Minnesota highway patrol for offenses committed on trunk highways.

(4) To serve orders of the commissioner of public safety or his duly authorized agents issued under the provisions of the Drivers License Law, the Safety Responsibility Act, or relating to authorized brake and light testing stations, anywhere in the state and to take possession of any license, permit or certificate ordered to be surrendered.

(5) To conduct drivers license examinations anywhere in the state when specifically so directed by the commissioner.

(6) (5) To inspect official brake and light adjusting stations.

(7) (6) To make appearances anywhere within the state for the purpose of conducting traffic safety educational programs and school bus clinics.

(8) (7) Upon all trunk highways the same powers with respect to the enforcement of laws relating to crimes, as sheriffs, constables and police officers have within their respective jurisdictions, so far as may be necessary for the protection of life and property upon such trunk highways.

(9) (8) Under instructions and regulations of the commissioner of public safety, said employees shall cooperate with all sher-

iffs and other police officers, and to that end are authorized to exercise the powers herein conferred upon all trunk highways and, for the purpose of continuing pursuit from such trunk highways of offenders thereon, upon all public highways connecting and traversing such trunk highways, provided that said employees shall have no power or authority in connection with strikes or industrial disputes.

(10) (9) To assist and aid any peace officer whose life or safety is in jeopardy.

Employees thus employed and designated shall subscribe an oath and furnish a bond running to the state of Minnesota, said bond to be approved and filed in the office of the secretary of state.

Sec. 6. Minnesota Statutes 1967, Section 161.47, is amended by adding a subdivision to read:

Subd. 1a. **Commissioner.** For the purposes of section 161.47, the term "commissioner" means the commissioner of public safety.

Sec. 7. Minnesota Statutes 1967, Section 161.47, Subdivision 2, is amended to read:

Subd. 2. Salaries. (1) Each such employee other than the highway safety director, chief supervisor, chief assistant supervisor, assistant supervisors and sergeants hereinafter designated shall be known as patrol officers, each of whom shall receive a basic salary of not less than \$506 per month and in addition thereto shall receive a salary increase equal to four percent of his last previous salary converted to the nearest dollar at the completion of his first, second, third, fourth, fifth, sixth, seventh and twelfth years of employment. Such salary increase shall be effective for the payroll period nearest the patrol officer's anniversary date of employment.

(2) There may be appointed one chief assistant supervisor; such deputy assistant supervisors as the commissioner of public safety deems necessary; and such assistant supervisors, sergeants and officers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. The supervisors and sergeants shall be appointed by law and have such duties as the commissioner may direct and shall be selected from the patrol officers, sergeants, and supervisors who shall have had at least five years' experience as either patrol officers, sergeants, or supervisors. The total number of supervisors, assistant supervisors, and sergeants shall not exceed one for each ten patrol officers, but no supervisor or sergeant shall be demoted in order to obtain this ratio. Vacancies in supervisory positions, however, shall not be filled until the ratio provided for herein is reached.

(3) Commencing July 1, 1967, the salaries of sergeants, assistant supervisors, deputy assistant supervisors, chief assistant supervisor, and the chief supervisor shall be determined by the following merit salary plan, which shall be administered by a board comprised of the director of personnel of the highway department, the assistant commissioner in charge of the highway safety division, and the chief supervisor and two other officers of the department appointed by the commissioner. The personnel shall be eligible for the following salary increases after satisfactory job performance as determined by the merit board on the following dates or for the following time periods whichever occurs later:

	7-1-67 or base rate	7-1-69 or after 2 years	7-1-70 or after 3 years	7-1-71 or after 4 years	7-1-72 or after 5 years
Sergeant	722	736	751	766	781
Assistant Supervisor	812	828	845	862	879
Deputy Assistant Supervisor	879	897	915	933	952
Chief Assistant Supervisor	989	1,009	1,029	1,050	1,071
Chief Supervisor	1,112	1,134	1,157	1,180	1,204

Upon promotion the person will be paid at the base rate of pay in effect for that position and shall be eligible for the stated increases calculated from the effective date of promotion.

(4) The salaries established herein are basic rates of pay for the state employees enumerated and shall be placed in effect by the commissioner of highways at the beginning of the first payroll period following July 1, 1967. The highway safety director, supervisors, sergeants, and patrolmen authorized by this section shall each receive the sum of \$3 per day subsistence while engaged in the performance of duty, and in addition thereto shall be reimbursed for all expenses necessarily incurred by them in excess of \$3 per day subsistence while engaged in performance of duty.

(5) Every person employed hereunder shall be subject to the terms and provisions of Laws 1935, Chapter 254, and acts amendatory thereof.

(6) The commissioner is authorized to employ and designate

a highway safety director, who shall supervise and coordinate the activities of the Minnesota highway patrol and the drivers license division and perform such other duties as the commissioner may prescribe. He shall have all the powers, duties and rights of a highway patrol member. His salary shall be \$1,979 per month.

Sec. 8. Minnesota Statutes 1967, Section 161.47, Subdivision 3, is amended to read:

Subd. 3. Air patrol; salary adjustment. The commissioner of highways public safety may increase the salary of any member of the Minnesota highway patrol in an amount not to exceed \$125 a month during the period in which such member of the patrol is assigned air patrol duty.

Sec. 9. Minnesota Statutes 1967, Section 161.47, Subdivision 6, is amended to read:

Subd. 6. Training programs. The commissioner may provide training programs for the purpose of obtaining qualified personnel for the highway patrol. Persons accepted by the commissioner of highways public safety for training under such training program shall be designated highway patrol trainees and shall receive a salary not to exceed \$200 per month during the period of such training; and there is hereby appropriated out of the trunk highway fund a sufficient sum of money to carry out the provisions of this section. Nothing contained in this subdivision shall be construed to prevent the commissioner from providing in-service training programs for highway patrol officers. The commissioner in providing in-service training programs may acquire necessary lands and acquire or build a necessary building for such purpose. The commissioner of highways shall furnish the commissioner of public safety with lands and buildings necessary in providing in-service training programs at no cost to the division of highway patrol.

Sec. 10. Minnesota Statutes 1967, Section 161.47, Subdivision 12, is amended to read:

Subd. 12. Application of subdivisions 5 to 12. Subdivisions 5 to 12 of this section shall apply to all persons employed and designated under and pursuant to this section, except the chief supervisor and chief assistant supervisor of the state highway patrol. If the chief supervisor or the chief assistant supervisor is removed for other than cause as defined herein he shall be reinstated to the position that he held in the patrol prior to being promoted to the position of chief supervisor, or chief assistant supervisor.

Upon the effective date of this act the individual occupying the

position of chief assistant supervisor of the highway patrol shall retain such position for a period of at least 12 months, or until removed for cause.

Sec. 11. Minnesota Statutes 1967, Section 161.48, is amended to read:

161.48 **Nationwide police communication system.** The commissioner of public safety may enter into the necessary agreements and purchase the necessary equipment for participation in a nationwide police communication system. All costs of participation in such system by the highway patrol chargeable to the state of Minnesota shall be paid from the fund in the state treasury credited with fines and forfeited bail money. There is hereby appropriated from said fund a sufficient amount of money to carry out the provisions of this section.

Sec. 12. [299D.01] [Subd. 8.] The commissioner of highways shall furnish the Minnesota highway patrol such quarters as may be necessary for the performance of the duties imposed upon it by law and as the governor shall direct.

Transfer of powers. Subdivision Sec. 13. [299D.02] 1. All the powers and duties of the commissioner of highways with reference to the state highway patrol and the nationwide police communication system not heretofore provided for and enumerated in Minnesota Statutes 1967, Sections 161.48 and 161.49, are hereby transferred to and imposed upon the commissioner of public safety. In conjunction with the transfer persons in the classified service of the state who shall be transferred pursuant to section 19, subdivision 5, of this act, there shall be transferred to the department of public safety the personnel who are presently serving as radio dispatchers for the highway patrol. Such classified employees serving as highway patrol radio dispatchers shall continue to be paid from the trunk highway fund.

Subd. 2. All powers, duties and responsibilities now assigned to and vested in the commissioner of highways in Minnesota Statutes 1967, Chapter 352B, are hereby transferred to and vested in the commissioner of public safety.

Sec. 14. [299E.01] Division of civil defense. Subdivision 1. A division in the department of public safety to be known as the division of civil defense is hereby created, under the supervision and control of a state director who is appointed by the commissioner to serve at his pleasure in the unclassified service of the state civil service.

. .

Subd. 2. All of the functions, powers and duties of the state director of the civil defense agency as described in Minnesota Statutes 1967, Chapter 12, are hereby transferred to and imposed upon the commissioner of public safety, and he shall be assigned to the duties and responsibilities described in this section.

Sec. 15. [299F.01] Division of motor vehicles. Subdivision 1. A division in the department of public safety to be known as the division of motor vehicles is hereby created, under the supervision and control of the director who is appointed by the commissioner to serve at his pleasure in the unclassified service of the state civil service. The director of the division of motor vehicles is the registrar of motor vehicles and shall be assigned the duties and responsibilities prescribed in this section.

Subd. 2. All the functions, powers, and duties now vested in or imposed upon the secretary of state as registrar of motor vehicles as prescribed in Minnesota Statutes 1967, Chapter 168, or any other law, relating to the registration of motor vehicles, the issuance of motor vehicle licenses, the licensing of motor vehicle dealers, and other matters therein contained not otherwise provided for in this section, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the secretary of state in relation thereto as heretofore constituted are abolished.

Subd. 3. Upon the effective date of this act the individual occupying the position of motor vehicle director shall retain such position for a period of at least 12 months, or until removed for cause.

Subd. 4. All the powers and duties now vested in or imposed upon the secretary of state in the issuance of chauffeurs' licenses and school bus drivers' licenses as prescribed in Minnesota Statutes 1967, Chapter 168, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the secretary of state in connection with the issuance of such licenses are hereby abolished.

Sec. 16. Minnesota Statutes 1967, Section 168.33, Subdivision 2, is amended to read:

Subd. 2. **Powers.** The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, *in the manner provided by law*, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. Before entering upon the discharge of his duties, each deputy and each employee having the charge of handling any money or number of plates shall give bond to the state in the sum of at least \$2,000, or in such larger amount as the registrar may fix,

conditioned upon the faithful discharge of his duties. Premiums on such bonds shall be paid by the state from money provided for the maintenance of the registrar's office.

The registrar shall have the power to appoint, and at pleasure remove; a deputy registrar for each city of the first class, and for such other cities and villages as public interest and convenience may re-quire. The registrar may appoint, and at his pleasure discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director, may appoint the clerk or equivalent officer of each city, village, and borough or any other person as a deputy registrar as public interest and convenience may require. Each such deputy, before entering upon the discharge of his duties, shall qualify with the requirements imposed for the qualifying of registrar, except that the amount of the bond required to be given by the deputy shall be \$10,000, or such larger sum as the registrar, from time to time, shall require. Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the eity place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. He shall charge and receive for each application presented a filing fee of 50 cents, and shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee of 50 cents he shall retain as his compensation unless otherwise designated by the registrar in his order of appointment The filing fee of 50 cents shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public. The registrar, in the order of appointment of each deputy hereunder, shall designate the amount to be paid annually to each such deputy as compensation for his services, the services of his employces and the expense of the bureau maintenance, which amount shall be fixed and determined or have the approval of the executive council endorsed thereon. If the amount designated to be paid annually to such deputy as compensation for his services, the services of his employees, and expense of the bureau maintenance is less than the

total of the filing fees he collects, the amount so provided for shall be paid semi-monthly by the registrar from the amount of the filing fees collected and deposited by such deputy, as herein provided with respect to registration taxes he collects; but the amount so paid shall not in any case exceed the total amount of filing fees so collected and remitted. The amount received by the registrar under the provisions hereof shall be paid by him into the state treasury daily, meekly, or at such other intervals as may be determined by the order of the executive council. Supplies, accounting machines and office space required to enable the registrar to properly carry out the dutics imposed upon him by the provisions of this chapter may be rented or purchased; as provided by existing law.

Sec. 17. Minnesota Statutes 1967, Section 168.33, is amended by adding a subdivision to read:

Subd. 2a. **Deputy registrars, continuation in office.** Persons serving as deputy registrars on the effective date of this act shall continue to hold such office until a successor is duly appointed and qualifies.

Sec. 18. [299G.01] Driver's license division. Subdivision 1. A division in the department of public safety to be known as the driver's license division is hereby created, under the supervision and control of a director who is appointed by the commissioner to serve at his pleasure in the unclassified service of the state civil service and he shall be assigned the duties and responsibilities prescribed in this section.

Subd. 2. All the powers and duties now vested in or imposed upon the department of highways and the commissioner of highways in regard to drivers' licensing and safety responsibility as prescribed by Minnesota Statutes 1967, Chapters 169, 170 and 171, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties and responsibilities of the department of highways and the commissioner of highways, in relation to such matters as heretofore constituted, are hereby abolished.

Subd. 3. The commissioner of public safety, with the approval of the governor, may transfer and assign to the driver's license division duties and responsibilities in relation to chauffeurs' licensing and school bus drivers' licensing as vested in and imposed upon the division of motor vehicles.

Subd. 4. Upon the effective date of this act the individual occupying the position of driver license director shall retain such position for a period of at least 12 months, or until removed for cause.

Subd. 5. All the powers and duties now vested in or imposed upon the department of education and the department of highways relating to drivers' training as prescribed by Minnesota Statutes 1967, Section 171.04, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the department of education and the department of highways with reference to such training as heretofore constituted are hereby abolished.

Subd. 6. The commissioner of highways shall provide space as required for driver and chauffeur license activities at such locations and under such contractual conditions as may be determined with the commissioner of public safety.

Sec. 19. [299H.01] Capitol complex security division. Subdivision 1. A division in the department of public safety to be known as the capitol complex security division is hereby created, under the supervision and control of the director of capitol complex security, who shall be appointed by the commissioner and serve at his pleasure in the unclassified service of the state civil service, to whom shall be assigned the duties and responsibilities described in this section.

Subd. 2. The division shall be responsible for security and public information services in the capitol complex of state owned buildings; it shall provide such personnel as are required by the circumstances to insure the orderly conduct of state business and the convenience of the public.

Subd. 3. All powers, duties and responsibilities heretofore assigned by law to the commissioner of administration relating to the general function of security in such state owned buildings are hereby transferred to the commissioner of public safety.

Subd. 4. For purposes of this section, the capitol complex of state owned buildings shall be as defined in Minnesota Statutes, Section 15.50, and acts amendatory thereof.

Subd. 5. Nothing in this section shall be construed to conflict with the power of the legislature to appoint and assign such personnel and equipment as it deems necessary for the conduct of its business.

Sec. 20. This article shall become effective on July 1, 1970. The governor may appoint a commissioner who may appoint a deputy commissioner prior to that time for purposes of directing the creation of the department.

ARTICLE II

Section 1. Minnesota Statutes 1967, Section 179.02, is amended to read:

179.02 Bureau of mediation services. There is hereby established in the department of labor and industry a division of conciliation; but not in any way subject to the control of the department bureau of mediation services, but not in any way subject to the control of the department. This division bureau shall be under the supervision and control of a labor conciliator, who shall be appointed by the governor with the advice and consent of the senate director. The office of director shall, as of the effective date of this act, be filled by the person then holding the office of labor conciliator and his term shall expire as of the date his term as labor conciliator would have expired. Thereafter the director shall be appointed by the governor with the advice and consent of the senate. He shall hold office for a term of four years. The term of the first labor conciliator hereunder shall expire March 1, 1945. The governor may, from time to time, appoint special conciliators mediators to aid in the settlement of particular labor disputes or controversies and such special conciliators when appointed who shall have the same power and authority as the labor esneiliator director with respect to such dispute and such appointment shall be for the duration only of the particular dispute. Such special conciliators mediators shall be paid a per diem of \$15 \$75 per day while so engaged and their necessary expenses. The labor conciliator director shall prepare a roster of persons qualified to act as such special conciliators mediators and keep the same revised at all times and available to the governor and the public.

The labor conciliator director may employ and discharge mediators, clerks and other assistants employees as needed, fix their compensation, and assign them their duties. As of the effective date of this act the division of conciliation, heretofore established, shall be abolished, and all of its powers and duties transferred to the bureau of mediation services. Any matters pending in or by the division of conciliation as of such date shall then and thereafter be carried on in the name of the bureau of mediation services.

Sec. 2. Minnesota Statutes 1967, Section 179.03, is amended to read:

179.03 **Political activities forbidden.** Any labor conciliator mediator or employee, under the provisions of sections 179.01 to 179.17, who exerts his influence, directly or indirectly, to induce any other person to adopt his political views, or to favor any particular candidate for office, or to contribute funds for political purposes shall

forthwith be removed from his office or position by the authority appointing him; provided, that before removal the labor conciliator director of mediation services shall be entitled to a hearing before the governor, and any other employee shall be entitled to a similar hearing before the labor conciliator director of mediation services.

Sec. 3. Minnesota Statutes 1967, Section 179.04, is amended to read:

179.04 **Expenses.** The labor conciliator director of mediation services and his employees, or any special conciliator mediator, shall be paid their actual and necessary traveling and other expenses incurred in the performance of their duties. Vouchers for such expenses shall be itemized and sworn to by the person incurring the expense.

Sec. 4. Minnesota Statutes 1967, Section 179.05, is amended to read:

179.05 **Rules and regulations for hearings.** The labor coneiliator director of mediation services shall adopt reasonable and proper rules and regulations relative to and regulating the conduct of the hearings. Such rules and regulations shall be printed and made available to the public and a copy delivered with each notice of hearing; provided, that every such rule or regulation shall be filed with the secretary of the state, and any change therein or additions thereto shall not take effect until 20 days after such filing.

Sec. 5. Minnesota Statutes 1967, Section 179.06, is amended to read:

179.06 Collective bargaining agreements. Subdivision 1. Notices. When any employee, employees, or representative of employees, or labor organization shall desire to negotiate a collective bargaining agreement, or make any change in any existing agreement, or shall desire any changes in the rates of pay, rules or working conditions in any place of employment, it shall give written notice to the employer of its demand, which notice shall follow the employer if the place of employment is changed, and it shall thereupon be the duty of the employer and the representative of employee or labor organization to endeavor in good faith to reach an agreement respecting such demand. An employer shall give a like notice to his employees, representative, or labor or labor organizations of any intended change in any existing agreement. If no agreement is reached at the expiration of ten days after service of such notice, any employees, representative, labor organization, or employer may at any time thereafter petition the labor conciliator director of mediation services to take juris-

diction of the dispute and it shall be unlawful for any labor organization or representative to institute or aid in the conduct of a strike or for an employer to institute a lock-out, unless such petition has been served by the party taking such action upon the labor conciliator director and the other parties to the labor dispute at least ten days before the strike or lock-out becomes effective. Unless the strike or lock-out is commenced within 90 days from the date of service of the petition upon the labor conciliator director, it shall be unlawful for any of the parties to institute or aid in the conduct of a strike or lock-out without serving a new petition in the manner prescribed for the service of the original petition, provided that the 90-day period may be extended by written agreement of the parties filed with the labor conciliator director.

A petition by the employer shall be signed by him or his duly authorized officer or agent; and a petition by the employees shall be signed by their representative or its officers, or by the committee selected to negotiate with the employer. In either case the petition shall be served by delivering it to the labor conciliator director in person or by sending it by registered certified mail addressed to him at his office. The petition shall state briefly the nature of the dispute and the demands of the party who serves it. Upon receipt of a petition, the labor-conciliator director shall fix a time and place for a conference with the parties to the labor dispute upon the issues involved in the dispute, and he shall then take whatever steps he deems most expedient to bring about a settlement of the dispute, including assisting in negotiating and drafting a settlement agreement. It shall be the duty of all parties to a labor dispute to respond to the summons of the labor conciliator director for joint or several conferences with him and to continue in such conference until excused by the labor conciliator *director*, not beyond the ten-day period heretofore prescribed except by mutual consent of the parties.

Subd. 2. **Director, powers and duties.** The labor conciliator director may at the request of either party to a labor dispute render assistance in settling the dispute without the necessity of filing the formal petition referred to in subdivision 1. If the conciliator director takes jurisdiction of the dispute as a result of such a request, he shall then proceed as provided in subdivision 1.

Sec. 6. Minnesota Statutes 1967, Section 179.07, is amended to read:

179.07 **Labor dispute affecting public interests; procedure.** If the dispute is in any industry, business, or institution affected with a public interest, which includes, but is not restricted to,

any industry, business, or institution engaged in supplying the necessities of life, safety, or health, so that a temporary suspension of its operation would endanger the life, safety, health, or well-being of a substantial number of people of any community, the provisions of section 179.06 shall apply and the labor conciliator director of mediation services shall also notify the governor who may appoint a commission of three to conduct a hearing and make a report on the issues involved and the merits of the respective contentions of the parties to the dispute. If the governor decides to appoint a commission, he shall so advise the labor eoneiliator director who shall immediately notify the parties to the labor dispute and also inform them of the date of the notification to the governor. The members of such commission shall on account of vocations, employment, or affiliations be representatives of employees, employers, and the public, respectively. Such report shall be filed with the governor not less than five days before the end of the 30-day period hereinafter provided and may be published as he may determine in one or more legal newspapers in the counties where the dispute exists. If and when the governor shall notify the labor conciliator director of his decision to appoint a commission, neither party to the dispute shall make any change in the situation affecting the dispute and no strike or lockout shall be instituted until 30 days shall have elapsed after the notification to the governor. In case the governor shall fail to appoint a commission within five days after the notification to him, this limitation on the parties shall be suspended and inoperative. If the governor shall thereafter appoint a commission, no strike or lockout having been instituted in the meantime, the limitation shall again become operative, but in no case for more than the 30-day period. The 30-day period may be extended by stipulation upon the record of the hearing before the commission or by written stipulation signed by the parties to the labor dispute and filed with the labor conciliator director. If so extended, the report of the commission shall be filed with the governor not less than five days before the end of the extended period.

Sec. 7. Minnesota Statutes 1967, Section 179.08, is amended to read:

of commission 179.08 Powers appointed by. The commission appointed by the governor purgovernor. (1)suant to the provisions of sections 179.01 to 179.17 shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence which relates to any matter involved in any such hearing, and may by its chairman administer oaths and affirmations, and may examine witnesses. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing, but

hearings shall be held in a county where the labor dispute has arisen or exists;

(2) In case of contumacy or refusal to obey a subpoena issued under clause (1) of this section, the district court of the state for the county where the proceeding is pending or in which the person guilty of such contumacy or refusal to obey is found, or resides, or transacts business, or application by the commission shall have jurisdiction to issue to such person an order requiring such person to appear before the commission, there to produce evidence as so ordered, or there to give testimony touching the matter under investigation or in question, and any failure to obey such order of the court may be punished by the court as a contempt thereof;

(3) Any party to or party affected by the dispute may appear before the commission in person or by attorney or by their representative, and shall have the right to offer competent evidence and to be heard on the issues before the report is made.

Any commissioners so appointed shall be paid a per diem of \$15 \$75 and their necessary expenses while serving.

Sec. 8. Minnesota Statutes 1967, Section 179.083, is amended to read:

Jurisdictional controversies. Whenever two or 179.083 more labor organizations adversely claim for themselves or their members jurisdiction over certain classifications of work to be done for any employer or in any industry, or over the persons engaged in or performing such work and such jurisdictional interference or dispute is made the ground for picketing an employer or declaring a strike or boycott against him, the labor conciliator director of mediation services shall certify that fact to the governor. Upon receipt of such certification the governor, in his discretion, may appoint a labor referee to hear and determine the jurisdictional controversy. If the labor organizations involved in the controversy have an agreement between themselves defining their respective jurisdictions, or if they are affiliated with the same labor federation or organization which has by the charters granted to the contending organizations limited their jurisdiction, the labor referee shall determine the controversy in accordance with the proper construction of the agreement or of the provisions of the charters of the contending organizations. If there is no agreement or charter which governs the controversy, the labor referee shall make such decision as, in consideration of past history of the organization, harmonious operation of the industry, and most effective representation for collective bargaining, will best promote industrial peace. If the labor organizations involved in the controversy so desire,

they may submit the controversy to a tribunal of the federation or labor organization which has granted their charters or to arbitration before a tribunal selected by themselves, provided the controversy is so submitted prior to the appointment by the governor of a labor referce to act in the controversy. After the appointment of the labor referce by the governor, or the submission of the controversy to another tribunal as herein provided, it shall be unlawful for any person or labor organization to call or conduct a strike or boycott against the employer or industry or to picket any place of business of the employer or in the industry on account of such jurisdictional controversy.

Sec. 9. Minnesota Statutes 1967, Section 179.09, is amended to read:

179.09 Arbitration. When a labor dispute arises which is not settled by conciliation mediation such dispute may, by written agreement of the parties, be submitted to arbitration on such terms as the parties may specify, including among other methods the arbitration procedure under the terms of sections 572.08 to 572.26 and arbitration under the voluntary industrial arbitration tribunal of the American arbitration association. If such agreement so provides, the labor conciliator director of mediation services may act as a member of any arbitration tribunal created by any such agreement and, if the agreement so provides, the conciliator director may appoint one or more of such arbitrators. Either or both of the parties to any such agreement or any arbitration tribunal created under any such agreement may apply to the conciliator director to have the tribunal designated as a temporary arbitration tribunal and, if so designated, the temporary arbitration tribunal shall have power to administer oaths to witnesses and to issue subpoenas for the attendance of witnesses and the production of evidence, which subpoenas shall be enforced in the same manner as subpoenas issued by the commission under section 179.08. Any such temporary arbitration tribunal shall file with the conciliator director a copy of its report, duly certified by its chairman.

Sec. 10. Minnesota Statutes 1967, Section 179.135, Subdivision 1, is amended to read:

Protection of collective bargaining agreements. 179.135 Agreement protected from Subdivision 1. intervention. employer holding a valid collective bargaining No agreement with any labor organization recognized or certified by the State Labor Conciliator director of mediation services or the National Labor Relations Board as the accredited bargaining representative for

the employees or any group of employees of such employer shall be required to enter into negotiations with any other labor organization respecting the employees covered by the existing union agreement, so long as the existing agreement remains in full force and effect in accordance with its terms except where a successor labor organization has been certified as the representative of the employees covered by such agreement by the State Labor Conciliator director of mediation services or the National Labor Relations Board and recognized by the employer.

Sec. 11. Minnesota Statutes 1967, Section 179.16, Subdivision 2, is amended to read:

Subd. 2. Certification of group representative bv When a question concerning the representative of emdirector. ployees is raised by an employee, group of employees, labor organization, or employer the labor conciliator director of mediation services or any person designated by him shall, at the request of any of the parties, investigate such controversy and certify to the parties in writing, the name or names of the representatives that have been designated or selected. The labor conciliator director shall decide in each case whether, in order to insure to employees the full benefit of their right to self-organization and to collective bargaining and otherwise to effectuate the purpose of this chapter, the unit appropriate for the purpose of collective bargaining shall be the employer unit, craft unit, plant unit; provided, that any larger unit may be decided upon with the consent of all employers involved, and provided that when a craft exists, composed of one or more employees then such craft shall constitute a unit appropriate for the purpose of collective bargaining for such employee or employees belonging to such craft and a majority of such employees of such craft may designate a representative for such unit. Two or more units may, by voluntary consent, bargain through the same agent or agents with an employer or employers, their agent or agents. Supervisory employees shall not be considered in the selection of a bargaining agent. In any such investigation, the labor conciliater director may provide for an appropriate hearing, and may take a secret ballot of employees or utilize any other suitable method to ascertain such representatives, but the labor conciliator director shall not certify any labor organization which is dominated, controlled, or maintained by an employer. If the labor conciliator director has certified the representatives as herein provided, he shall not be required to again consider the matter for a period of one year unless it appears to him that sufficient reason exists.

Sec. 12. Minnesota Statutes 1967, Section 179.16, Subdivision 3, is amended to read:

Subd. 3. Witnesses; powers of director. In the investigation of any controversy concerning the representative of employees for collective bargaining, the labor eoneiliator director of mediation services shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence which relates directly to any matter involved in any such hearing, and the labor eoneiliator director or his representative may administer oaths and affirmations, and may examine witnesses. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing, but hearings shall be held in a county where the question has arisen or exists.

Sec. 13. Minnesota Statutes 1967, Section 179.22, is amended to read:

179.22 **Labor referee.** There is hereby created an office, to be known as labor referee. The governor may from time to time appoint labor referees for particular disputes as hereinafter provided. Such appointment shall be for the duration only of the particular dispute. Such labor referees shall be paid a per diem of \$15 \$75 per day while so engaged, and their necessary expenses. When approved by him, the labor coneiliator director of mediation services shall cause to be paid, from the appropriation to him, the amount due to the labor referees for services and expenses.

Sec. 14. Minnesota Statutes 1967, Section 179.23, Subdivision 1, is amended to read:

179.23 Director to certify violations to governor. Subdivision 1. Certification to governor. Whenever it reasonably appears to the labor conciliator director of mediation services that any labor organization has failed substantially to comply with any of the requirements of sections 179.18 to 179.25, he shall certify that fact to the governor and transmit to the governor all the information he has received with reference thereto.

Sec. 15. Minnesota Statutes 1967, Section 179.23, Subdivision 2, is amended to read:

Subd. 2. Governor may appoint a labor referee. Upon receipt of such certification by the labor conciliator director of mediation services, the governor, within five days from the date of such certification, shall appoint, if he deems it advisable, a labor referee to act in the dispute. If the governor does not appoint a labor referee within five days, he shall so notify the labor conciliator director and return the files to him, which shall close the dispute.

Sec. 16. Minnesota Statutes 1967, Section 179.23, Subdivision 3, is amended to read:

Subd. 3. Qualification of labor referee. Upon receipt of notice of appointment as labor referee, such officer shall qualify by taking his oath of office and filing the same in the office of the secretary of state. He shall also notify the labor conciliator director of mediation services in writing of the date of filing such oath.

Sec. 17. Minnesota Statutes 1967, Section 179.23, Subdivision 5, is amended to read:

Subd. 5. Appearance; evidence. Any party to or party affected by the dispute may appear at the hearing before the labor referee in person or by attorney or by other representative, and shall have the right to offer competent evidence and to be heard on the issues before any order herein provided is made. When all evidence has been adduced and the arguments heard, the labor referee shall prepare and file with the labor conciliator director of mediation services within 30 days from the close of testimony, his findings of fact and his order sustaining or dismissing the charges. If the charges are sustained, such labor organization is thereby disqualified from acting as the representative of employees until such disqualification has been removed as provided herein.

Sec. 18. Minnesota Statutes 1967, Section 179.23, Subdivision 6, is amended to read:

disgualification Subd. Removal of bv 6. labor organization. Any labor organization which has been disqualified from acting as a representative of employees pursuant to subdivision 5 for failure to perform any duty imposed upon it by sections 179.18 to 179.25 may remove such disqualification by applying to the labor conciliator director of mediation services and submitting proof of performance of the duty for the non-performance of which the disqualification was imposed. Upon receipt of such application, the labor coneiliator director shall notify all parties who participated in the hearing before the referee as adversary parties by mail of the filing of such application. If within 20 days after the mailing of such notice, written objection to the removal of such disqualification is filed with the labor eoneiliator director, he shall certify the dispute to the governor, and further proceedings shall thereupon be had in like manner hereinbefore provided for the determination of disputes. Thereupon the labor referee appointed for such proceedings shall make and file his order either confirming the prior order for disqualification or removing the disqualification, as the case may require. If no objection is so filed,

the labor conciliator director shall make an order removing such disqualification.

Sec. 19. Minnesota Statutes 1967, Section 179.38, is amended to read:

179.38 Arbitration mandatory. In the event of the existence of any labor dispute which cannot be settled by negotiation between the charitable hospital employers and their employees, either such employers or employees may petition and avail themselves of the facilities provisions of the department of labor as provided in Minnesota Statutes, sections 179.01 to 179.17, insofar as sections are not inconsistent with the provisions of sections 179.35 to 179.39. If such dispute is not settled within ten days after submission to conciliation mediation, any unsettled issue of maximum hours of work and minimum hourly wage rates shall, upon service of written notice by either party upon the other party and the State Labor Conciliator director of mediation services, be submitted to the determination of a board of arbitrators whose determination shall be final and binding upon the parties. The board of arbitrators shall be selected and proceed in the following manner, unless otherwise agreed between the parties: the employers shall appoint one arbitrator, the employees shall appoint one arbitrator, and the two arbitrators so chosen shall appoint a third arbitrator who shall act as chairman and who shall receive reasonable compensation for his work; but if said arbitrators are unable to agree upon the appointment of such third arbitrator within five days after submission to arbitration, the governor shall appoint the third party submit five names to the parties and the parties shall select the third arbitrator, who shall act as chairman, from the five submitted by the governor. The selection of the third arbitrator shall be by the process of elimination, with the parties taking turns at striking names from the list of five submitted by the governor, until only one name remains. If the parties are unable to agree with respect to which party shall take the first turn for the purpose of striking a name, it shall be decided by the flip of a coin. Each party shall be responsible for compensating the arbitrator of their choice, and the parties shall share equally the compensation paid to the third arbitrator. The board of arbitrators shall serve as a temporary arbitration tribunal and shall have the powers and compensation provided for commissioners under Minnesota Statutes 1945, Section 179.08. The board of arbitrators shall make its determination with all due diligence and shall file a copy of its report with the State Labor Coneilistor director of mediation services.

Sec. 20. Minnesota Statutes 1967, Section 179.52, Subdivision 4, is amended to read:

Subd. 4. When a governmental agency declines to grant formal recognition or when a question concerning the designation of a representation unit is raised by the governmental agency, labor or employee organization, or employees, the labor coneiliator director of mediation services or any person designated by him shall, at the request of any of the parties, investigate such question and, after a hearing if requested by any party, rule on the definition of the appropriate representation unit. He shall certify to the parties in writing the proper definition of the unit. In defining the unit, the labor conciliator director shall take into consideration, along with other relevant factors, the principles of efficient administration of government, the principles and the coverage of uniform comprehensive position classification and compensation plans in the governmental agency, the history and extent of organization, occupational classification, administrative and supervisory levels of authority, geographical location, and the recommendations of the parties.

Sec. 21. Minnesota Statutes 1967, Section 179.52, Subdivision 5, is amended to read:

Subd. 5. When a question concerning the representative of employees is raised by the governmental agency, labor or employee organization, or employees, the labor conciliator director of mediation services or any person designated by him shall, at the request of any of the parties, investigate such question and certify to the parties in writing, the name or names of the representatives that have been designated or selected. The filing of a petition for the investigation or certification of a representative of employees by any of the parties shall constitute a question within the meaning of this section. In any such investigation, the labor conciliator director may provide for an appropriate hearing, and shall take a secret ballot of employees to ascertain such representatives for the purposes of formal recognition. If the labor conciliator director has certified a formally recognized representative in a unit of employees as provided in this section, he shall not be required to consider the matter again for a period of one year unless it appears to him that sufficient reason exists. The labor concilinter director may promulgate such rules and regulations as may be appropriate to carry out the provisions of subdivisions 4 and 5 of this section.

Sec. 22. Minnesota Statutes 1967, Section 179.521, is amended to read:

179.521 Mediation of disputes. If, after a reasonable period of meeting and conferring, the parties are deadlocked, or if the governmental agency or its designated representatives or the em-

ployees or their formally recognized representative fail or refuse to meet and confer in good faith at reasonable times in a bona fide effort to arrive at a settlement, either party to a dispute involving conditions of employment or any violation of sections 179.51 to 179.58 may then file a petition requesting the laber conciliator director of mediation services to act in the dispute. Such petition shall set forth the issues of the dispute, the efforts to settle it, and a statement of the failure to reach a settlement. The labor conciliator director shall thereupon take jurisdiction of the dispute and shall fix a time and place for a conference with the parties to the dispute upon the issues involved, and he shall then take whatever steps he deems expedient to bring about a settlement, including assisting in preparing information necessary to an understanding of the issues and of a settlement. Both parties shall confer with the labor conciliator director and cooperate with him in his attempts to bring about a settlement.

Sec. 23. Minnesota Statutes 1967, Section 179.57, Subdivision 2, is amended to read:

Subd. 2. One of the panel members shall be selected by the labor or employee organization or by the employees as the case may be, one by the governmental agency, and the two so selected shall select a third member. If after five days, the two members cannot agree upon the third member, the senior or presiding judge of the district court of the county wherein the dispute has arisen shall, after notifying the labor conciliator director of mediation services and giving him an opportunity to suggest names of suitable prospective neutral members, appoint such third member. Such appointment shall be made upon application by either of the appointed members in writing by giving five days notice thereof in writing to the other member. If one of the parties fails or refuses to appoint a member to the panel, such member shall be appointed by the senior or presiding judge of the district court in the same manner as the third member is appointed, upon application by a panel member in writing upon five days' notice in writing to the party so failing or refusing.

Sec. 24. Minnesota Statutes 1967, Section 179.57, Subdivision 4, is amended to read:

Subd. 4. The panel shall meet within 15 days after the appointment of the third member. The various parties shall attempt in good faith to settle the dispute through negotiation and informal conferences. If the results of the conference negotiations are not satisfactory to all parties concerned, the panel shall afford the public employees, the labor or employee organization involved, if any, and the governmental agency a full hearing after which the panel shall make

their findings and recommendations, a copy of which shall be sent to the labor conciliator director of mediation services, to the head of the governmental agency involved, and to the employees or their representatives, if any. In making such findings and recommendations, the panel shall take into consideration the tax limitations imposed by law or charter, if any, upon the governmental agency together with wages, hours and other conditions of employment of public employees performing comparable duties for other governmental agencies of a comparable nature and of employees performing comparable duties in private employment, internal consistency of treatment of the employees in the several classes of positions in the governmental agency, as well as such other factors not confined to the foregoing as are normally or appropriately taken into consideration in the determination of wages, hours and other conditions of employment by the governmental agency.

Sec. 25. The effective date of this article shall be July 1, 1969.

ARTICLE III

Section 1. [84.01] Name change; transfer of functions. Subdivision 1. The name of the department of conservation is changed to the department of natural resources. The name of the commissioner of conservation is changed to the commissioner of natural resources. Subject to the provisions of this act and other applicable laws, the department of natural resources with its commissioner and other officers shall continue to exercise all the powers and duties vested in, or imposed upon its commissioner as existing and constituted immediately prior to the effective date of this act.

Subd. 2. The commissioner of natural resources is appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and qualifies. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term. The commissioner may appoint a deputy who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner.

Subd. 3. Subject to the provisions of this act and to other applicable laws the commissioner shall organize the department and employ two assistant commissioners, one of whom shall have responsibility for coordinating and directing the planning of every division

within the agency, and such other officers, employees, and agents as he may deem necessary to discharge the functions of his department, define the duties of such officers, employees, and agents and to delegate to them any of his powers, duties, and responsibilities subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated power shall be by written order filed with the secretary of the state.

Subd. 4. Before entering upon the duties of his office the commissioner of natural resources shall take and subscribe an oath and give his bond to the state of Minnesota, to be approved by the governor and filed with the secretary of state, in the sum of \$50,000 conditioned for the faithful performance of his duties.

Sec. 2. Minnesota Statutes 1967, Section 84.025, Subdivisions 1, 2, 3, 4, and 5, are repealed.

Sec. 3. [84.01] [Subd. 5.] All the powers and duties now vested in, or imposed upon the state geographic board under Minnesota Statutes 1967, Chapter 83A, are transferred to, vested in, and imposed upon the commissioner of natural resources. The state geographic board as heretofore constituted is abolished.

Sec. 4. [84.01] [Subd. 6.] The commissioner of natural resources may request from time to time, as he deems necessary, information and advice on technical natural resource matters from advisory committees or individuals having specialized knowledge or experience in such matters. These persons shall serve without compensation but shall be allowed and paid their actual traveling and other expenses necessarily incurred in providing such information and advice to the commissioner. The expenses allowed shall be paid in the same amount allowed state employes for similar expenses and shall be paid from any money appropriated to the commissioner for salaries, supplies, and expenses.

Sec. 5. Minnesota Statutes 1967, Section 84.028, Subdivision 3, is amended to read:

Subd. 3. The operation of the game warden service in the division of game and fish as constituted before July 1, 1967 is under the direct control and supervision of the commissioner. The name of the personnel in such game warden service is changed to conservation officers. Conservation officers shall continue to have the powers and duties of game wardens as they existed before July 1, 1967 and may be assigned to public relations, conservation instructional activities, and the enforcement of laws relating to resources management which the commissioner shall direct. The commissioner may shall create a sepa-

rate division or bureau entitled the division of enforcement and field service, to be composed of conservation officers and may shall appoint a chief conservation officer director of the division to serve at his pleasure in the unclassified service of the state.

Sec. 6. Minnesota Statutes 1967, Section 84.081, Subdivision 1, is amended to read:

84.081 Department divisions and bureaus. Subdivision The department of conservation natural resources 1. Directors. shall be organized with the following divisions: a division of lands and forestry, a division of waters, soils and minerals, a division of game and fish, and a division of parks and recreation, and a division of enforcement and field service. Each division shall be under the immediate charge of a director, subject to the supervision and control of the commissioner. The directors shall be appointed by the commissioner, to serve at his pleasure, and shall be in the unclassified service of the state. They shall be chosen with regard to knowledge, training, experience, and ability in administering the work of their respective divisions.

Sec. 7. Subdivision 1. This article is in effect on the first Monday in January 1971, and the term of the person occupying the position of the commissioner of conservation on the day previous shall expire when the commissioner of natural resources is appointed by the governor and qualifies.

Subd. 2. Until such time as the commissioner of natural resources is able to make all changes in designation of the department of conservation to the department of natural resources, he may continue to use the department of conservation designation, but the use of such designation shall not extend beyond the first Monday in January 1976.

ARTICLE IV

Section 1. Minnesota Statutes 1967, Section 45.03, is amended to read:

45.03 **Powers and duties of commission.** The commissioner of banks, the commissioner of insurance, and the commissioner of securities, respectively, shall have and possess all the rights and powers and perform all the duties which, prior to the enactment of Laws 1925, Chapter 426, were vested by law in the superintendent of banks, the commissioner of insurance, and the state securities commission, respectively. except that applications for registrations of securities and broker dealers' licenses under Laws 1925, Chapter 192, and all matters pertaining to such registrations and licenses, applica-

tion for the organization and establishment of new financial institutions under Laws 1919, Chapter 86, and acts amendatory thereof, applications by insuring companies for licenses to earry on business within the state, and all matters pertaining to such licenses, and applieations for the consolidation of incuring companies transacting business within the state Minnesota Statutes, Sections 45.04 to 45.08, shall be determined by the commission in the manner provided by the laws defining the powers and duties of the superintendent of banks. the commissioner of insurance, and the state securities commission, respectively therein, or, in the absence of any law prescribing the procedure, then by such reasonable procedure as the commission may prescribe- provided, that the commissioner of securities and the commissioner of insurance shall have power to suspend any registration or license issued in their respective divisions pending the final determination of any matter by the commission. The commission shall review, and may affirm, reverse, modify, amend, or abrogate all quasi-judicial acts of a single commissioner upon written request and application of the party aggrieved, this review to be held after such reasonable notice as the commission shall prescribe. The commissioner of banks shall be chairman, and the commissioner of securities shall be secretary of the compission. The commission shall have power to provide for stated meetings, and special meetings may be called by the chairman, or by the other two members. The commission may confer upon the executive secretary authority to fix a time for hearings in accordance with such rules as may be adopted.

Sec. 2. Minnesota Statutes 1967, Chapter 45, is amended by adding a section to read:

[45.031] Chairman and executive secretary. Subdivision 1. The governor shall appoint one member of the commission to serve as its chairman for a four year term which shall coincide with the term of the governor and continue until a successor is duly appointed and qualifies. A vacancy in the office of chairman shall be filled by appointment of the governor for the unexpired portion of the term. The term of the first chairman appointed pursuant to this subdivision shall expire with the expiration of the term of the governor who makes the appointment. The chairman shall be paid a solary of \$2,000 per annum in addition to the salary which he receives as a member of the commission.

Subd. 2. The commission shall appoint an executive secretary who shall serve at the pleasure of the commission in the unclassified service. The saldry of the executive secretary shall be fixed by law. The executive secretary shall be the chief administrative officer of the commission, and shall be charged with keeping full and correct records of all transactions and proceedings of the commission and the

performance of such other duties as may be prescribed by the commission. He shall be the official custodian of the records and seal of the commission. He shall be directly responsible to the chairman of the commission in the performance of his duties, and shall serve as his administrative assistant insofar as the duties and responsibilities of the chairman so require.

Subd. 3. Subject to the provisions of this act and to other applicable laws, the commission shall employ such officers, employees, and agents as it may deem necessary to discharge the functions of the commission within the funds provided therefor from time to time; define the duties of such officers, employees, and agents; and delegate to them such powers, duties, and responsibilities as may be determined by the commission. Except as otherwise provided for herein, the personnel listed in this subdivision are in the classified service of the state civil service.

Sec. 3. [45.15] Establishment of consumer services section. A section of consumer services is established in the department of commerce under the supervision and control of a director of consumer services. The director of consumer services is appointed by the governor, by and with the advice and consent of the senate, for a four year term which shall coincide with the term of the governor and until a successor is duly appointed and qualifies. A vacancy in the office of director shall be filled for the unexpired term.

Sec. 4. [45.16] Consumer services section, responsibilities and duties. Subdivision 1. The section of consumer services shall have the responsibilities and duties prescribed by this section and such other authority as may be conferred by the commissioner of commerce.

Subd. 2. (a) Act as the representative of the governor in all matters affecting consumer affairs;

(b) Enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in Minnesota Statutes, Sections 325.78 and 325.79, and the attorney general shall act for the division in pursuing the remedies set forth in Minnesota Statutes, Section 325.80;

(c) Make recommendations to the chairman of the commerce commission for transmission to the governor and the legislature for such statutory needs as may exist in adequately protecting the consumer;

(d) Receive registration statements and annual reports of persons soliciting charitable funds in accordance with the require-

ments of Minnesota Statutes, Sections 309.50 to 309.61, in lieu of the duties of the secretary of state in connection therewith. The duties of the secretary of state under such sections are hereby abolished and the activity assigned to the department of commerce, division of licensing and consumer services as provided herein;

(e) Develop rules and regulations to carry out the duties imposed by this section and any other duties imposed by law.

Subd. 3. Develop administrative procedures, systems of record keeping and other devices so as to improve the functioning of all licensing and professional boards now or hereafter created by law. The director of the division is the liaison officer between the governing bodies of each licensing and professional board and the office of governor.

Subd. 4. The director of consumer services with the approval of the chairman of the commerce commission may assign any of his duties and responsibilities to sections which he may create within his division.

Subd. 5. Sections 3 and 4 are effective upon the appointment of a director.

Sec. 5. Minnesota Statutes 1967, Chapter 45, is amended by adding a section to read:

Subdivision 1. [45.032] Hearings. The commission or any of its members may delegate its or his authority to conduct a hearing, but not review proceedings to a hearing examiner. For purposes of this section, "appointive authority" means the commission or member thereof by whom such a delegation is made. The examiner shall have the same power as the appointive authority to compel the attendance of witnesses, to examine them under oath, to require the production of books, papers, and other evidence, and to issue subpoenas and cause the same to be served and executed in any part of the state. The commission shall prescribe by rule and regulation, in conformity to the provisions of Minnesota Statutes 1967, Sections 15.0411 to 15.0423, inclusive, the procedures for the conduct of all hearings and review proceedings.

Subd. 2. If a hearing examiner conducts a hearing he shall make findings of fact and submit them to the appointive authority. The transcript of testimony and exhibits shall constitute the exclusive record upon which such findings are made. The findings shall be available for public inspection. After receipt of the hearing examiner's findings, the appointive authority shall decide the case. In deciding the case, the appointive authority shall have all of the powers which it

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would have had if no hearing examiner had been appointed. Thereafter the decision by the appointive authority shall be subject to review as otherwise provided by law.

Subd. 3. Hearing examiners shall be employed by the commission. The executive secretary of the commission may serve as a hearing examiner. Hearing examiners need not be attorneys at law. They shall be in the classified service of the state civil service, except that (a) the executive secretary shall not be in the classified service even though he serves as a hearing examiner in accordance with this subdivision; and (b) the commission may temporarily employ persons who are not in the classified service to serve as hearing examiners. The chairman shall assign individual hearing examiners to hear cases where an appointive authority directs that the matter be heard by a hearing examiner.

Sec. 6. Minnesota Statutes 1967, Chapter 45, is amended by adding a section to read:

[45.033] Annual report of commerce commission. Subdivision 1. On or before December 1 of each year the commission shall submit a report to the governor and the legislature. This report shall describe the activities of the commission during the fiscal year ending on the preceding June 30; give general information as to the conditions relating to banking, insurance, and securities regulation within the state during that year; and make such recommendations and suggestions as the commission may deem proper.

Subd. 2. The annual report shall contain a list of state banks, trust companies, building and loan associations, and other financial corporations within the state, their capital stock and surplus funds; a list of suspended banks and financial corporations; and a list of charter applications, together with their disposition, for the year. The report shall not contain a detailed statement of the condition of each bank or other financial corporation.

Subd. 3. The annual report shall contain a statement of the financial condition and business transactions of the insurance companies doing business in the state, as disclosed by official examinations and their annual statements; and the condition of the receiverships of insolvent companies.

Subd. 4. The annual report shall contain a summary of all applications for security registrations received, withdrawn, granted, and denied, and a summary of all securities registrations and licenses suspended, revoked, or cancelled.

Sec. 7. Minnesota Statutes 1967, Chapter 45, is amended by adding a section to read:

[45.034] Preparation of departmental budget. The budget estimates prescribed by Minnesota Statutes 1967, Section 16.14, Subdivisions 1 and 2, shall be prepared and submitted by the commission in respect of the department of commerce and all of its constituent divisions.

Sec. 8. Minnesota Statutes 1967, Section 46.07, Subdivision 1, is amended to read:

Subdivision 1. 46.07 Records. The commissioner of banks shall keep all proper records and files pertaining to the duties and work of his office, and report to the governer biennially, previous to the opening of the regular biennial session of the legislature; touching his official acts, giving general information as to banking conditions within the state; and the conditions as to other corporations to which his dutics relate and making such recommondations and suggestions as he may deem proper. The report shall contain a list of state banks; trust companies, building and loan associations, and other financial corporations within the state, their capital stocks and surplus funds; also a list of suspended banks and financial corporations and a list of charter applications, together with their disposition, for the biennal period; but the report shall not contain a detailed statement of the condition of each bank or other financial corporation.

Sec. 9. Minnesota Statutes 1967, Section 48.15, is amended to read:

48.15 Special powers. Subdivision 1. In addition to the inherent and granted powers of corporations in general, any such bank shall have power to exercise, by its board of directors, or duly authorized officers and agents, subject to law, all such powers as shall be necessary to carry on the business of banking by discounting bills, notes, and other evidences of debt, by receiving deposits, by buying and selling gold and silver bullion, foreign coin, promissorv notes, mortgages, and other evidences of debt legal for investment, and foreign and inland bills of exchange, by lending money on real and personal securities and receiving interest on any of the same in advance, and by exercising all the usual and incidental powers and privileges belonging to the business; but it shall not transact any business, except such as is incidental and necessarily preliminary to its establishment, until authorized by the commissioner to commence business.

Subd. 2. The commerce commission may, by majority vote of

its members, which shall include the affirmative vote of the commissioner of banks, authorize banks organized under the laws of this state to engage in any banking activity in which banks subject to the jurisdiction of the federal government may hereafter be authorized to engage by federal legislation, ruling, or regulation. The commission may not authorize state banks as defined by Minnesota Statutes, Section 48.01, to engage in any banking activity prohibited by the laws of this state.

Sec. 10. Minnesota Statutes 1967, Section 53.03, Subdivision 5, is amended to read:

Subd. 5. Place of business. Not more than one place of business shall be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, Chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. Each additional certificate of authorization issued pursuant to the provisions of this subdivision shall be filed with the secretary of state and the register of deeds of the county in which the corporation is authorized to do business thereunder. Any such corporation may change one or more of its locations upon the written approval of the commissioner of banks.

Sec. 11. Minnesota Statutes 1967, Section 60A.03, Subdivision 7, is amended to read:

Subd. 7. (1) The biennial report of the commissioner shall include a statement of the receipts and expenditures of his division, a statement of the financial condition and business transactions of the several insurance companies doing business in the state, as disclosed by official examinations and by their annual statements, the condition of the receiverships of insolvent companies, and such other information as he thinks proper. The report shall be made to the governor on or before October 1 in each even numbered year for the preceding two fiscal years. The governor shall transmit the report to the logislature as soon as practicable.

(2) The commissioner, or his deputy, annually, or oftener when deemed necessary, shall examine the transactions and accounts of all assignees and receivers of insolvent companies, and also the accounts of such assignees or receivers referred to him under the provisions of chapters 60A to 72A, 69 and 70, and, in each case, shall

make report thereof to the court. For this purpose, he or his deputy, shall have free access to the official papers of such assignees or receivers relative to their transactions, and may examine them under oath as to all matters connected therewith. When, in his opinion, any assignee or receiver has violated his official duty, or further proceedings to collect an assessment will not afford substantial relief to creditors, he shall report the facts to the court.

All accounts of receivers or assignees of insolvent companies rendered to the district court shall be referred to the commissioner before allowance for examination and report thereon and, at the completion of their duties, they shall deposit with him all books, records, and papers relating to the insolvency.

Sec. 12. Minnesota Statutes 1967, Section 80.23, is amended to read:

80.23 Information; inspection; publicity; reports. All information received by the commissioner from applicants under sections 80.05 to 80.27 shall be open to inspection whenever it appears to the commissioner that this inspection may assist in carrying out or furthering the purposes of sections 80.05 to 80.27. The commissioner shall supply at cost copies of any such information. The commissioner shall have the power to withhold any information which he deems, in justice to the person filing the same, should not be made public.

The commissioner shall have power to publish, in pamphlet form, by newspaper advertisement, or otherwise, any information regarding securities which he considers fraudulent or which are being sold in violation of sections 80.05 to 80.27, or any other information he deems necessary or helpful in connection with the enforcement of section 80.05 to 80.27.

It shall be the duty of the commissioner bionnially, on or before October 1, in each even numbered year, to prepare and file in the office of the governor a report for the preceding two fiscal years ending June thirtieth preceding the report, which shall contain a summary of all applications received, withdrawn, granted, and denied; a summary of all registrations and licenses suspended, revoked. or canceled, a schedule of receipts and disbursements of the commissioner, and such other information as the commissioner considers material.

Sec. 13. [45.021] All rules and regulations which the directors of divisions in the department of commerce are authorized to promulgate are subject to the approval of the commissioners of commerce.

ARTICLE V

[**4.20**] Interdepartmental Section 1. task force of Subdivision 1. An interdepartmental task force transportation. of transportation is created within the state planning agency. The governor shall appoint representatives from the state planning agency; the department of aeronautics; the department of highways; the department of public service; the metropolitan airports commission: the transportation land use study teams of Duluth, Superior, St. Cloud, Fargo, Moorhead, Albert Lea, Rochester, and any other city having a similar facility: the metropolitan council: and the metropolitan transit commission.

Subd. 2. The state planning officer shall appoint a director of the interdepartmental task force of transportation provided for in subdivision I and shall provide it with such staff and consultants as may be required for the performance of its duties.

Subd. 3. The interdepartmental task force shall study the transportation needs of the state and shall devise plans for the future which shall encompass all modes of transportation including, but not limited to, rail, water, air, highway, and other transit means.

Subd. 4. To the greatest extent the interdepartmental task force shall coordinate transportation studies and the development thereof to insure that the transportation facilities of the future are planned, designed, and constructed to meet urban and regional development objectives and fulfill the transportation needs of the state.

Subd. 5. The interdepartmental task force shall encourage and assist all levels of government engaged in the field of mass transit development in their planning.

Subd. 6. Nothing in this section shall be construed to authorize or direct the interdepartmental task force of transportation to voluntarily become an active party, intervenor or participant in any judicial, quasi-judicial, legislative or other proceeding, whether at the state or federal level, for or against any proposals relating to organization, equipment, structure, rates or routes of any form of transportation.

Subd. 7. The interdepartmental task force shall report to the governor and to the legislature from time to time and make recommendations concerning local urban mass transit development and the need for state financial assistance in connection therewith.

Subd. 8. The interdepartmental task force may apply for, receive, and accept federal moneys and other moneys which may be

made available to the state for mass transit and other purposes. It may contract with local transportation and mass transit agencies and organizations for the planning, development, and provide a supervisory function in connection with the money so received. All moneys received pursuant to this subdivision shall be deposited in the state treasury and are hereby appropriated for the purposes for which the moneys have been tendered.

ARTICLE VI

Section 1. [4.25] State urban affairs council and urban action center. Subdivision 1. A state urban affairs council and urban action center is hereby created within the state planning agency. The council shall consist of the attorney general, the odjutant general, the commissioners of health, education, welfare, employment security, highways, human rights, the director of the state planning agency, the chairman of the metropolitan council, and the chairmen of any other government councils now existing or hereafter created.

Subd. 2. The urban affairs council comprising the urban action center of the state planning agency shall study urban problems and make recommendations to the state planning agency concerning urban policy programs which shall be transmitted to the governor and to the legislature.

Subd. 3. The members of the urban affairs council shall use the personnel of their respective agencies to carry out their responsibilities under this section.

Subd. 4. The governor to the greatest extent possible shall use the facilities of the urban affairs council in coordinating the resources of the state and activities of state departments in meeting problems of cities of the first class.

ARTICLE VII

Section 1. [270.051] Oleomargarine taxes and fixing gross receipts tax, transfer of duties. Subdivision 1. All the powers and duties now vested in, or imposed upon the commissioner of the department of agriculture under Minnesota Statutes 1967, Chapter 33, relating to the imposition and collection of taxes on oleomargarine are hereby transferred to, vested in, and imposed upon the commissioner of taxation. The duties of the commissioner of the department of agriculture in relation thereto as existing and heretofore constituted are abolished.

Subd. 2. All the powers and duties now vested in, or imposed

upon the state athletic commission relating to the collection of a five percent gross receipts tax as provided by Minnesota Statutes 1967, Section 341.05, Subdivision 1, Clause 3, are hereby transferred to, vested in, and imposed upon the commissioner of taxation. The duties of the state athletic commission in relation thereto are hereby abolished.

Subd. 3. The commissioner of taxation may prescribe by rule the procedures to be followed in the payment of the gross receipts tax provided for in this section.

ARTICLE VIII

Section 1. Minnesota Statutes 1967, Section 1601, is amended to read:

16.01 **Commissioner of administration.** The department of administration shall be under the supervision and control of a commissioner of administration, in sections 16.01 to 16.23 also referred to as the commissioner, who shall be ex officio the state budget director and state purchasing agent.

The commissioner of administration, who shall be in unclassified service, shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. The term of the first commissioner appointed hercunder shall expire February 1, 1941, and succeeding terms shall be two years thereafter. The governor may remove the commissioner at any time for cause, after notice and hearing. On January 4, 1971, the term of the incumbent commissioner shall expire. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carrv on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval.

Sec. 2. Minnesota Statutes 1967, Section 17.01, is amended to read:

17.01 Creation of department; commissioner; deputy. There is hereby created a department of agriculture, which shall be in the charge of a commissioner, who shall be in unclassified service, to be known as the commissioner of agriculture, in chapter 17 called the commissioner, who shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor for the term of

four years and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. On January 4, 1971, the term of the incumbent commissioner of agriculture shall expire. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. Before entering upon the duties of his office, he shall take and subscribe the oath required of state officials and give his bond to the state of Minnesota, to be approved by, and filed with, the secretary of state, for the sum of \$5,000, conditioned for the faithful performance of his duties. He may appoint a deputy who shall be in the unclassified service, and such other assistants, clerks, and employees as occasion may require.

Sec. 3. Minnesota Statutes 1967, Section 161.03, Subdivision 1, is amended to read:

161.03 Subdivision 1. Office Commissioner of highways. The office of commissioner of highways created. is created. He shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and qualifies. The governor may remove any commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. During his term of office the commissioner shall be subject to removal by the governor only for malfcasance or nonfeasance in office, and shall be entitled to written notice of any such charges against him and allowed a reasonable opportunity to be heard thereon: Any vacancy in the office of commissioner shall be filled for the unexpired portion of the term. The commissioner shall be in unclassified service. On January 4, 1971, the term of the incumbent commissioner of highways shall expire.

Sec. 4. Minnesota Statutes 1967, Section 196.02, Subdivision 1, is amended to read:

196.02 **Commissioner of veterans affairs.** Subdivision 1. **Appointment; qualifications.** The department shall be under the supervision and control of a Commissioner of Veterans' Affairs who shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and

has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. The commissioner shall be in unclassified service. No person shall be eligible to receive appointment as commissioner unless he has the following qualifications:

(1) Residence in the state of Minnesota for at least five years prior to his appointment;

(2) Citizenship in the United States;

Service in the Army, Navy, or Marine Corps of the (3)United States during a time when a state of war shall have been declared to exist by the Congress of the United States and an honorable discharge from such service. The commissioner, if his appointment be approved by the senate at a regular session of the legislature, shall serve for a term expiring March 1 in the fourth ealendar year following the calendar year in which such approval was given, and until his successor is appointed and has qualified. Appointment of a commissioner for the ensuing term may be made by the incoming governor at any time after taking office in the year in which the current term expires, but such appointce shall not take office until the expiration of such current term nor until approved by the senate unless there is a vacancy. In ease of a vacancy the governor may appoint a commissioner to serve at the pleasure of the governor but not later than the next following March 1 in an odd numbered year and until a successor is appointed and has qualified as in the case of the expiration of a regular term. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 5. Minnesota Statutes 1967, Section 241.01, Subdivision 1, is amended to read:

241.01 Creation of department. Subdivision 1. Commissioner. The department of corrections is hereby created under the control and supervision of the commissioner of corrections which office is hereby established. The commissioner of corrections, who shall be in unclassified service, shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove

the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. The term of effice of the commissioner shall be for six years except that the term of office of the commissioner first appointed shall expire February 1, 1965. The commissioner shall hold office until the appointment and qualification of his successor. Any vacancy in the office of commissioner ef corrections shall be for the unexpired portion of the term. The governor may remove the commissioner of corrections only for cause upon written charges and opportunity for a public hearing.

Sec. 6. Minnesota Statutes 1967, Section 245.03, is amended to read:

245.03 Department of public welfare established: commis-There is hereby created and established a department sioner. of public welfare. A commissioner of public welfare shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The torm of office of the commissioner first appointed shall expire February 1, 1959, after which the term of office of the commissioner shall be for a term of six years. The commissioner, who shall be in unclassified service, shall be selected on the basis of ability and experience in welfare and without regard to political affiliations. The governor may remove the commissioner at any time for cause after notice and hearing. Subject to the provisions of sections 245.03 to 245.12 and other applicable laws, now or hereinafter enacted, the commissioner shall have the power to organize his department in such manner as he may deem necessary, and to appoint a deputy commissioner in unclassified service. He shall also appoint such other subordinate officers, employees and agents as he may deem necessary to discharge the functions of the department; and define the duties of such officers, employees and agents and to delegate to them any of his powers or duties subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The commissioner shall give

bond in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 7. Minnesota Statutes 1967, Section 268.12, Subdivision 1, is amended to read:

268.12 Creation. Subdivision 1. Department of employment security; commissioner; succession to division of employment and security. (1) There is hereby created and established a department of employment security which shall be the successor to the division of employment and security, which said division is hereby abolished as a division of the department of social security as established by Laws 1939, Article VII, Section 1.

(2) A commissioner of employment security shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified, to administer Minnesota Statutes 1949, Sections 268.03 to 268.24, as amended, and as the same may hereafter from time to time be amended. The term of office of the commissioner first appointed shall expire February 1; 1959; after which the term of office of the commissioner shall be for a term of six years. The commissioner, who shall be in unclassified service, may be removed by the governor at any time for cause after notice and hearing. The commissioner shall be selected on the basis of ability and experience and without regard to political affiliations. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. The governor may remove the commissioner at any time for eause after notice and hearing. Subject to the provisions of sections 268.03 to 268.24 and other applicable laws now or hereafter enacted, the commissioner shall have the power to organize his department in such manner as he may deem necessary. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The salary of the commissioner shall be \$7,400 per year and he shall give bond in the sum of \$10,000; provided that the annual adjustment increment shall be \$300, and the basic salary herein provided adjusted in accordance with the provisions of Laws 1951, Chapter 713, Section 2.

(3) All proceedings, court actions, prosecutions or other business undertaken or commenced prior to April 21, 1953, by the division of employment and security and any other matters of the di-

Changes or additions indicated by *italics*, deletions by strikeout.

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vision of employment and security pending at the time of the passage of this act may be conducted and completed by the new department of employment security in the same manner and under the same terms and conditions and with the same effect as though it were undertaken, commenced or conducted or completed by said division of employment and security prior to such change. All functions, powers and duties of such division of employment and security are by this act assigned and transferred to the department of employment security.

(4) All the powers and duties now vested in or imposed upon the director of the division of employment and security as a division of the department of social security are hereby vested in and imposed upon the commissioner of employment security.

All of the employees of said division of employment and security are hereby transferred to the department of employment security created by this section, and said commissioner shall take charge of said employees and shall employ them in the exercise of the respective functions, powers and duties transferred as aforesaid without reduction of compensation or civil service status enjoyed by said employees at the time of such transfer, subject, however, to change or termination of employment, compensation or civil service status as may be otherwise provided by law.

(5) All other acts or parts of acts now in effect inconsistent with the provisions of this section are hereby repealed, superseded, modified or amended so far as necessary to conform to and give full force and effect to the provisions of this section.

(6) Laws 1953, Chapter 603, shall take effect and be in force from and after its passage; provided, that no transfer of functions, rights, powers, duties, or funds made thereby shall take effect until the commissioner of the department to whom the same are transferred shall have been appointed; taken his oath of office and filed oath and bond in the office of the secretary of state; and until then the former division or agency vested therewith shall continue to exercise and perform such functions, rights, powers, and duties, and to have charge of such funds.

Sec. 8. Minnesota Statutes 1967, Section 270.02, Subdivision 1, is amended to read:

270.02 **Commissioner of taxation.** Subdivision 1. **Term, bond.** The commissioner of taxation shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the

governor until his successor is duly appointed and qualified. The term et the first commissioner appointed shall expire March 1, 1945; and the succeeding terms shall be six years thereafter. The commissioner, who shall be in unclassified service, shall be selected on the basis of ability and experience in the field of taxation and tax administration and without regard to political affiliations. The governor may remove the commissioner at any time for cause, after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment is submitted to the senate for approval. The commissioner shall give bond to the state in the sum of \$200,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 9. Minnesota Statutes 1967, Section 298.22, Subdivision 1, is amended to read:

298.22 rehabilitation. Sub-Iron range resources and division 1. the period beginning May 1, 1941, For and 1942. appropriated ending April 30. there is hereby from the general revenue fund, for the purposes hereinafter set forth, five percent of amounts paid and credited into said fund from the proceeds of taxes paid under the provisions of law relating to occupation taxes on the business of mining or producing iron ore, and on and after May 1, 1942, there is hereby appropriated from the general revenue fund, for the purposes hereinafter set forth, ten percent of all amounts paid and credited into said fund from the proceeds of these taxes. The office of commissioner of iron range resources and rehabilitation is hereby created. The commissioner shall be appointed by the governor, with the advice and consent of the senate for a four year term which shall coincide with the term, for a term of two years, the first term to begin July 1. 1941 of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. The salary of the commissioner, who shall be in unclassified service, shall be paid from the amounts appropriated by this section; provided, that such salary shall be reduced by such amount as he may receive from other funds, and the commissioner may hold such other positions or appointments as are not incompatible with his duties as commissioner of iron range resources and rehabilitation. All expenses of the commissioner, includ-

ing the payment of such assistance as may be necessary, shall be paid out of the amounts appropriated by this section.

When the commissioner shall determine that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use thereof in the future and the decrease in employment resulting therefrom, now or hereafter, he may use such amounts of the appropriation made to him in this section as he may determine to be necessary and proper in the development of the remaining resources of said county and in the vocational training and rehabilitation of its residents.

Sec. 10. Minnesota Statutes 1967, Section 340.08, Subdivision 1, is amended to read:

340.08 Liquor control commissioner. Subdivision 1. The office of liquor control commissioner is hereby established, and the liquor control commissioner, who shall be in unclassified service, shall be appointed by the governor, by and with the consent and advice of the senate, for a term of four years which shall coincide with the term from and after January first in the year in which such appointment is made of the governor until his successor is duly ap-pointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. He shall be a citizen of this state and a resident thereof for not less than five years preceding his appointment and shall have no direct or indirect financial interest in the manufacture, transportation, or sale of intoxicating liquor or any malt or vinous beverages, intoxicating or non-intoxicating, or commercial or industrial alcohol. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent liauor control commissioner shall expire.

Sec. 11. Minnesota Statutes 1967, Section 340.08, Subdivision 2, is amended to read:

Subd. 2. The liquor control commissioner may be removed for cause by the governor, after hearing thereon, and it It shall be the duty of the governor to remove him the liquor control comissioner for any violation of the intoxicating liquor act. A record of the charges, proceedings, and findings thereon shall be filed in the office of the governor.

Sec. 12. Minnesota Statutes 1967, Section 360.014, Subdivision 2, is amended to read:

There is hereby created the office of commissioner Subd. 2. of aeronautics, the incumbent of which shall have the powers and duties and privileges herein set forth. Except for the first term, which shall begin as soon as the governor can reasonably appoint a suitable person and which shall expire January 1, 1947, the term of office shall be four years; The governor, by and with the advice and consent of the senate, shall appoint a suitable person, to serve in unclassified service, having a knowledge of aeronautics to said office, to serve for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner of appropriates shall be subject to removal by the governor for malfeasance or non feasance in office, and shall be entitled to written notice of the charges against him and allowed a reasonable opportunity to be heard thereon. On January 4, 1971, the term of the incumbent commissioner of aeronautics shall expire.

Sec. 13. Minnesota Statutes 1967, Section 362.09, Subdivision 1, is amended to read:

Commissioner: advisory commission. 362.09 Subdivision The department shall be under the supervision and control of a 1. commissioner of economic development, in unclassified service, who shall be appointed by the governor, by and with the advice and consent of the senate for a term of four years to coincide with that of the governor but to serve at the pleasure of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department. In case of a vacancy, the governor may appoint a commissioner for the unexpired term, who shall thereupon immediately take office and shall carry on all the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall receive a salary as provided by law. He shall give a bond to the state in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

The commissioner shall appoint a deputy, fix his salary unless otherwise prescribed by law and define his duties. The deputy shall enjoy a confidential relationship with the commissioner and is in the unclassified service of the state.

Sec. 14. Minnesota Statutes 1967, Section 363.04, Subdivision 1, is amended to read:

Department of human rights. 363.04 Subdivision 1. There is hereby established at the Creation; commissioner. seat of government an executive department to be known as the department of human rights. There shall be at the head of the department a commissioner of human rights, who shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4. 1971, the term of the incumbent commissioner shall expire. The department shall be administered under the supervision and direction of the commissioner, who shall serve at the pleasure of the governor for a four year term, which shall coincide with the term of the governor. At the expiration of his term of office; the commissioner shall continue to serve until his successor is appointed and shall have qualified. A vacancy in the office of commissioner shall be filled by the governor by and with the advice and consent of the senate for the unexpired portion of the term. The commissioner shall receive compensation at the rate preseribed by law. who shall be in unclassified service. and shall receive compensation at the rate prescribed by law.

Sec. 15. Minnesota Statutes 1967, Section 175.001, Subdivision 1, is amended to read:

175.001 Reorganization of state agency. Subdivision 1. Creation and organization. The department of labor and industry is created under the supervision and control of the commissioner of labor and industry which office is hereby established. The commissioner of labor and industry, who shall be in unclassified service, shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. A vacancy in the office of the commis-

sioner shall be filled by the governer, by and with the advice and consent of the senate, for the unexpired portion of the term in which the vacancy occurs.

Sec. 16. Minnesota Statutes 1967, Section 121.16, is amended to read:

121.16 State commissioner of education. Subdivision The state board shall elect a commissioner who shall be the ex-1. ecutive officer and secretary of the state board and whose term of office shall be six four years. He shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. The commissioner shall have authority to nominate, for approval by the state board, such officials and employees as may be necessary to perfect and to maintain the organization of the department as recommended by him and as adopted by the state board. He shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the various offices and division in the organization of the department. He shall be required to make recommendations to the state board which shall facilitate all of the work of the state board, and he shall be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out the provisions of this code.

Subd. 2. This section shall apply to the appointment of the commissioner of education on the expiration of the term of the commissioner occupying the office on the effective date of this article.

Sec. 17. Minnesota Statutes 1967, Sections 175.06 and 175.001, Subdivision 3, are repealed.

ARTICLE IX

Section 1. [16.125] Transfer of functions of a department. The authority of the commissioner of administration under Minnesota Statutes 1967, Sections 16.13 and 16.135, includes the authority to transfer functions of a department to another with the approval of the governor. In case of transfer of function the commissioner shall determine the fractional part of the appropriation to the department from which the function is transferred for the function and that part of the appropriation is hereby reappropriated to the department assigned the function. The commissioner shall forthwith re-

Changes or additions indicated by italics, deletions by strikeout.

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port the transfers to the committee on finance in the senate and the committee on appropriations in the house of representatives.

ARTICLE X

Section 1. [15.015] Transfer of functions under government reorganization act of 1969, effect. Subdivision 1. Anv department or other administrative agency to which the functions, powers, and duties of a previously existing department or other agency are by this act assigned and transferred shall be deemed and held to constitute a continuation of the former department or agency as to matters within the jurisdiction of the former department or agency. and not a new authority for the purpose of succession to all rights, powers, duties and obligations of the former department or agency as constituted at the time of such assignment or transfer except as otherwise provided by this act, with the same force and effect as if such functions, powers and duties had not been assigned or transferred. Provided, however, all portions of the department of public safety's budget which incorporates expenditures from the highway user tax distribution fund shall be subject to the approval of the commissioner of highways prior to the submission of such budget to the commissioner of administration.

Subd. 2. Any proceeding, court action, prosecution, or other business or matter undertaken or commenced prior to the passage of this act by a department or other agency, the functions, powers, and duties whereof are by this act assigned and transferred to another department or agency, and still pending at the time of the passage of this act, may be conducted and completed by the new department or agency in the same manner and under the same terms and conditions and with the same effect as though it were undertaken or commenced and were conducted or completed by the former department or agency prior to said transfer.

Subd. 3. Except as otherwise provided in this act, the head of a department or other agency whose functions, powers, and duties are by this act assigned and transferred to another department or agency shall transfer and deliver to such other department or agency all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control. The head of such other department or agency to which such assignment or transfer is made is hereby authorized to take possession of said property.

Subd. 4. All unexpended funds appropriated to any department, board or other agency for the purposes of any of its functions, powers, or duties which are transferred by this act to another depart-

ment, commission or agency, are hereby transferred to such department or agency. Where unexpended funds appropriated to any department, board or agency for the purposes of any of its functions, powers, or duties are changed by this act so that the functions, powers, or duties are in more than one department, commission, or agency, the commissioner of administration shall allocate the appropriation between the state departments, commissions, or agencies concerned.

Subd. 5. Except as otherwise provided in this act, all persons in the classified service of the state and employed by any department, board or agency for the purposes of any of its functions, powers or duties which are transferred by this act to another department, commission or agency, are hereby transferred to such other department, commission or agency. The positions of all persons in the unclassified service of the state and employed by any department, board or agency for the purposes of any of its functions, powers, or duties which are transferred by this act to another department, commission or agency, are hereby abolished. Notwithstanding the provisions of Minnesota Statutes 1967, Section 43.20, any person in the unclassified service whose position is abolished hereunder may be employed as a provisional appointee for not to exceed 12 months following the date of the abolishment of his position.

Subd. 6. The commissioner or other head of a state department created pursuant to this act may have an official seal which he may use to authenticate his official acts, but no official act of the commissioner or other state head is invalidated if not authenticated with the official seal.

Sec. 2. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall make such changes in terminology as may be necessary to record the functions, powers, or duties which are transferred by this act from a department, division, or other agency to another.

Approved June 9, 1969.

CHAPTER 1130-S. F. No. 1111

[Coded]

An act relating to the legislature; creating a legislative services commission and prescribing its duties; abolishing the legislative re-