

Sec. 2. This act is effective upon its approval by the governing body of the county of Hennepin and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved May 11, 1973.

CHAPTER 231—S.F.No.1377

[Coded in Part]

An act relating to motor vehicle carriers; regulating the issuance of permits to local cartage carriers; authorizing the transfer of such permits under certain conditions; amending Minnesota Statutes 1971, Section 221.296, Subdivision 4, and by adding a subdivision.

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

Section 1. Minnesota Statutes 1971, Section 221.296, Subdivision 4, is amended to read:

Subd. 4. **LOCAL CARTAGE CARRIERS; APPLICATION FOR PERMITS.** Any person desiring to operate hereunder as a local cartage carrier shall file a petition with the department specifying the service offered, the name and address of the applicant, and the names and addresses of the officers, if a corporation, and such other information as the department may require. The department, after notice to interested parties and a hearing, shall issue the permit upon compliance with all laws and regulations relating thereto unless it finds that the area to be served has a sufficient number of local cartage carriers to fully and adequately meet the needs of such area or that the applicants' vehicles do not meet the safety standards set up by the department, or that applicant is not fit and able to conduct the proposed operations, ~~provided a person who operated as a local cartage carrier on January 1, 1968, shall not be denied a permit upon compliance with the other provisions of this section.~~ A permit once granted shall continue in full force and effect until abandoned or unless suspended or revoked, subject to compliance by the permit holder with all applicable provisions of law and rules of the department governing local cartage carriers.

Sec. 2. Minnesota Statutes 1971, Section 221.296, is amended by adding a subdivision to read:

Changes or additions indicated by underline, deletions by ~~strikeout~~.

Subd. 8. PERMITS TRANSFERABLE. Permits, issued under the provisions of section 221.296 may be transferred but only upon the order of the department approving same after notice and hearing.

The proposed seller and buyer of a permit, shall file a joint verified petition with the department setting forth the legal name and address of the parties, the permit number and the description of the authority which the parties seek to sell, a verified statement of the reasons for the proposed sale, a verified statement of all outstanding claims of creditors which are attributable to the business conducted under said permit, a copy of the contract of sale and financial statement with balance sheet and income statement, if existent, of the buyer and the seller. After notice to interested parties and a hearing the department shall not make an order approving and allowing the sale unless the department finds that the buyer is fit and able to conduct the business authorized under said permit, that the vehicles he proposes to use in conducting such business meet the safety standards of the department, that the price paid for the purchase of the permit is not disproportionate to the reasonable value of the permit considering all assets and good will sold, that the proposed sale is in the best interest of the shipping public, and that the seller has legally engaged in the transportation of property or freight for hire on a meaningful basis as determined by the commission within the two year period immediately preceding the sale as proven by accurate and complete bills of lading. For purposes of determining said two year period, any divesting of interest or control shall be deemed the date of the sale and the department shall look to the substance of the transaction rather than the form. Any agreement for the transfer or sale of a permit shall be reported and filed with the department within 30 days of such agreement.

If any authority to operate as a local cartage carrier, is held by a corporation, any sale, assignment, pledge or other transfer of such stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of said corporation, as exercised through its stockholders, shall be reported in the manner prescribed in accordance with the rules and regulations of the department within 30 days after said sale, assignment, pledge or other transfer of stock. The department shall then make a finding whether or not said stock transfer does, in fact, constitute a sale, or other transfer of the permit of said corporation to a new party or parties and, if they so find, then the continuance of the permit issued to said corporation shall only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

The department shall allow a bona fide transfer of a permit, ex parte without hearing where the transferee of said permit is in

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fact a member or members of the transferor's immediate family. For the purpose of this paragraph immediate family shall consist only of the lawful spouse, adult child or children, brother or sister of the transferor. A transfer pursuant to this paragraph shall include:

(1) transfer to a corporation the stock of which is wholly owned by the transferor or the members of his immediate family.

(2) transfer to a partnership or partner consisting solely of the immediate family as defined in this paragraph.

Sec. 3. This act is effective the day following its final enactment.

Approved May 11, 1973.

CHAPTER 232—S.F.No.1386

[Coded]

An act relating to income taxation; defining a unit investment trust; providing a unit investment trust is not person, corporation, partnership, trust or investment company; amending Minnesota Statutes 1971, Section 290.01, by adding a subdivision.

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

Section 1. Minnesota Statutes 1971, Section 290.01, is amended by adding a subdivision to read:

Subd. 24. TAXATION; INCOME TAX; CERTAIN UNIT INVESTMENT TRUSTS. (a) A unit investment trust (as defined in the Investment Company Act of 1940)

(1) which is registered under such act and issues periodic payment plan certificates, as defined in such act, in one or more series,

(2) substantially all of the assets of which, as to all such series, consist of (i) securities issued by a single management company, as defined in such act and securities acquired pursuant to clause (a) (3), or (ii) securities issued by a single other corporation, and

(3) which has no power to invest in any other securities except securities issued by a single other management company, when

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