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

Section 1. Minnesota Statutes 1971, Section 200.02, is amended by adding a subdivision to read:

Subd. 26. ELECTIONS; COUNTY AUDITOR; DEFINITION. The words "county auditor" mean that officer or, in counties where that office does not exist, the principal county officer charged with duties relating to elections.

Approved May 23, 1973.

CHAPTER 577—S.F.No.1602

An act relating to compensation insurance; providing for a change in administration from the department of commerce to the commissioner of insurance; amending Minnesota Statutes 1971, Section 79.01, Subdivision 5.

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

- Section 1. Minnesota Statutes 1971, Section 79.01, Subdivision 5, is amended to read:
- Subd. 5. COMPENSATION INSURANCE; ADMINISTRATION; COMMISSIONER. The word "department" "commissioner" means the department commissioner of commerce insurance.
- Sec. 2. <u>In the next and subsequent editions of Minnesota Statutes whenever the term department appears in chapter 79, the revisor of statutes shall substitute in lieu thereof the term commissioner.</u>

Approved May 23, 1973.

CHAPTER 578—S.F.No.1653

[Not Coded]

An act relating to education; the establishment of a pilot educational service area in southwest and west central Minnesota

to provide educational services and programs on a regional basis; appropriating money therefor.

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

Section 1. EDUCATION; SOUTHWEST AND WEST CENTRAL EDUCATIONAL SERVICE AREA. Subdivision 1. ROLE OF STATE. It is a policy of the state to make general and uniform educational opportunities available to each student enrolled in the public schools and to strive toward equalizing educational opportunity for all public school students. The state should encourage cooperation in making available those educational programs and services which may most efficiently and economically be provided by a consortium effort of several school districts.

- Subd. 2. ESTABLISHMENT OF SOUTHWEST AND WEST CENTRAL EDUCATIONAL SERVICE AREA. In furtherance of said policy, there shall be designated a pilot educational service area in southwest and west central Minnesota to be known as the southwest and west central educational service area, herein designated SW and WC ESA. The geographical boundaries shall coincide with regions six east, six west, and eight as identified in governor's executive order 8, dated September 1, 1971, issued pursuant to the regional development act of 1969, with the following exceptions:
- (a) Existing school district boundaries shall not be altered as a result of this act,
- (b) The entire school district shall be a member if the central administrative office for that school district falls within the SW and WC ESA, and
- (c) School districts whose central administrative office is located within Douglas, Grant, Pope, Stevens, Stearns, or Traverse counties may also be members of the SW and WC ESA. However, this membership will be terminated and these school districts will become members of an educational service area serving their governor's planning region whenever such a unit is established.

The initial organization of SW and WC ESA may occur only upon petition to the state board of education by a majority of all school districts in the SW and WC ESA. The commissioner of education, upon receipt of such petition, shall invite representation from all public school districts in the SW and WC ESA at a general meeting. The commissioner of education shall then assist in the necessary organizational activities for establishment of SW and WC ESA pursuant to requirements of this act.

Subd. 3. PURPOSE OF SW AND WC ESA. The primary purpose for establishment of SW and WC ESA shall be to assist in

meeting specific educational needs of children in participating school districts. The SW and WC ESA shall provide those educational programs and services which are determined, pursuant to subdivision 8, to be priority needs of the regions. It shall assist in meeting special needs which arise from fundamental constraints upon individual school districts. It shall supplement the educational program of local school districts in these areas of special need or areas of low incidence of pupils and enrollments.

- Subd. 4. MEMBERSHIP AND PARTICIPATION. Membership shall be limited to public school districts of the area. Participation in programs and services shall be discretionary and no school district shall be compelled to participate in these services under authority of this act. Nonpublic school students may participate in programs and services to the extent authorized by state law.
- Subd. 5. GOVERNING BOARD. The care, management, and control shall be vested in a board of directors composed of 12 members elected at large from the SW and WC ESA. Members of the board of directors shall be current members of school boards of participating public school districts. Election to the board of directors shall be by vote of all school board members of participating public school districts with each school board member having one vote. At the initial election, 12 members shall be elected at large from the SW and WC ESA, four members for a one year term from July 1 next following the election, four members for a two year term from said July 1, and four members for a three year term from said July 1, to serve until a successor is elected and qualifies. Thereafter, members shall be elected to serve a term of three years beginning on July 1 next following the election. Elections shall occur after the third Tuesday in May but not later than June 15, or within 30 days following enactment of this bill. A vacancy on the board which results in an unexpired term shall be filled by appointment by the board of directors until such vacancy can be filled at the next annual election.
- Subd. 6. **DUTIES AND POWERS OF BOARD OF DIRECTORS.** The board of directors shall have authority to maintain and operate the SW and WC ESA. Subject to the availability of necessary resources, included among the powers and duties of this board are:
- (a) The board of directors shall submit within 90 days after enactment and by May 1 of each year thereafter to the state board of education an annual plan which describes the objectives and procedures to be implemented in assisting in resolution of the primary educational needs of the area.
- (b) The board of directors shall have the authority to provide adequate office, service center, and administrative facilities by

lease, purchase, gift, or otherwise, subject to the approval of the state board of education as to the adequacy of the facilities proposed.

- (c) The board of directors is hereby authorized to appoint special advisory committees composed of superintendents, central office personnel, building principals, teachers and lay persons.
- (d) The board of directors is authorized to employ a central administrative staff and such other personnel as shall be necessary to provide and support the agreed upon programs and services.
- (e) The board of directors is authorized to appoint service area personnel pursuant to certification standards developed by the state department of education.
- (f) The board of directors is authorized to enter into contracts with school boards of local education agencies, including schools outside the SW and WC ESA area.
- (g) The board of directors is authorized to enter into contracts with other public and private agencies.
- (h) The board of directors is authorized to make application for, accept, and expend private, state, and federal funds that are available for programs of educational benefit approved by the state board of education.
- (i) The board of directors shall exercise all powers and carry out all duties delegated to it by participating local school district boards of education and shall be governed, in general, by the provisions of law applicable to local school district boards of education.
- (j) The board of directors shall submit an annual evaluation report of the effectiveness of programs and services to the state board of education by September 1 of each year following the school year in which the program and services were provided.
- Subd. 7. APPOINTMENT OF AN ADVISORY COUNCIL. There shall be an advisory council selected to give advice to the board of directors. This council shall consist of persons who hold current standing as educators of participating school districts. A plan detailing procedures for selection of membership in this committee shall be submitted to the state board of education.
- Subd. 8. EDUCATIONAL PROGRAMS AND SERVICES. Pursuant to subdivision 6, the board of directors shall submit annually a plan to the state board of education. The plan shall identify the programs and services which are suggested for implementation by the SW and WC ESA during the following year and

in addition, shall contain components of long range planning as identified by the state board of education. The state board of education shall have authority to approve or disapprove the proposed plan and to conduct program reviews. These programs and services may include, but are not limited to, such areas as:

- (a) Administrative services;
- (b) Curriculum development;
- (c) Data processing;
- (d) Educational television;
- (e) Evaluation and research;
- (f) In-service training;
- (g) Media centers;
- (h) Publication and dissemination of materials;
- (i) Pupil personnel services;
- (j) Regional planning;
- (k) Secondary, post-secondary, and adult vocational education;
- (1) Special education for the 'gifted and the handicapped;
- (m) Teacher personnel services; and
- (n) Vocational rehabilitation.
- Subd. 9. FINANCIAL SUPPORT FOR THE MINNESOTA EDUCATIONAL SERVICE AREAS. The SW and WC ESA shall provide those programs and services which are a responsibility of the individual school district but which can best be made available through a consortium effort by many local school districts. Financial support for these programs and services should be provided by the participating local school districts with private, state and federal financial support supplementing as available. Such financial support shall be as follows:
- (a) The SW and WC ESA shall be authorized to apply for and expend funds appropriated from the state treasury in accord with provisions in section 1, subdivision 6 and as appropriated in section 3.
- (b) The educational service area shall be authorized to apply for, receive, and expend private, state and federal funds in accordance with regulations adopted by the state board of education.
- (c) School districts participating in programs and services shall share in costs incurred for providing those programs and services to

the extent of participation. The ESA board of directors shall determine the approximate cost of each program and service which remains after funds from other sources have been budgeted. The ESA board of directors shall then assess each participating school district a proportionate share of the remaining cost in the form of a service fee.

- Subd. 10. JOINT POWERS ACT. Nothing in this act shall restrict the authority granted to school district boards of education by Minnesota Statutes, Section 471.59.
- Sec. 2. **EVALUATION.** The state board of education, in cooperation with the state planning agency, shall report to the legislature on or before November 15, 1974, regarding the effectiveness of the pilot educational service area established by this act. The report shall include, but not be limited to: applicability of the educational service area structure in other regions of the state; cost comparisons of services delivered, per service and per pupil, in the pilot educational service area and in individual school districts; alternative funding mechanisms available through cost savings and other local, state, and federal sources; relationships of educational service areas to the functions of the state department of education; and relationships of educational service areas to regional development commissions.
- Sec. 3. APPROPRIATION FOR SW AND WC ESA. There is appropriated to the state department of education from the general fund in the state treasury the sum of \$50,000 each year of the biennium. Such funds shall be transmitted to the SW and WC ESA upon state board of education approval of the submitted annual plan.

Approved May 23, 1973.

CHAPTER 579—S.F.No.1667

[Coded]

An act relating to trade regulations; recorded material; unauthorized reproductions; providing a penalty.

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

Section 1. [325.841] TRADE REGULATIONS; RECORDED MATERIAL; UNLAWFUL TRANSFER OF SOUNDS; SALES. Unless exempt under section 3, it is unlawful for any person, firm, partnership, corporation, or association knowingly to (a) for com-