

Sec. 7. [46.32] VIOLATION OF NOTICE OR FINAL ORDER, PENALTIES.

Any director, trustee or officer, or former director, trustee or officer, of an institution or any other person against whom there is outstanding and effective any notice or final order served upon the director, trustee, officer, or other person pursuant to section 3 who (1) participates in any manner in the conduct of the affairs of such institution; (2) directly or indirectly solicits, procures, transfers, or attempts to transfer, votes, or attempts to vote any proxies, consents, or authorizations in respect to any voting rights in such institution; or (3) without the prior written approval of the commissioner, votes for a director or trustee or serves as a director, trustee, officer, or employee of such institution is guilty of a gross misdemeanor and may be fined not more than \$5,000 or imprisoned for not more than one year, or both.

Sec. 8. [46.33] MANNER OF SERVICE; COPIES TO FEDERAL AUTHORITIES; CEASE AND DESIST ORDERS. Any service required or authorized to be made by the commissioner pursuant to sections 1 to 8 may be made by registered or certified mail to the last known address of the person or principal Minnesota office of the institution to whom service is directed, or in such other manner reasonably calculated to give actual notice as the commissioner by rule or otherwise may provide. Copies of any notice or order served by the commissioner upon any institution or any director, trustee or officer thereof or other person participating in the conduct of its affairs, pursuant to the provisions of sections 1 to 8, may also be sent to the appropriate federal supervisory authorities.

Sec. 9. This act shall be effective the day following final enactment.

Approved March 23, 1978.

CHAPTER 545-H.F.No.1225

[Not Coded]

An act relating to Ramsey county and the city of Saint Paul; changing the name of the Ramsey county hospital and sanitarium commission; further prescribing its powers and duties, removing obsolete provisions; amending Laws 1974, Chapter 435, Section 3.14.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1974, Chapter 435, Section 3.14, is amended to read:

Sec. 3.14 SAINT PAUL-RAMSEY MEDICAL CENTER. (a) Subdivision 1, **SAINT PAUL-RAMSEY MEDICAL CENTER COMMISSION.** (1) (a) **NAME OF COMMISSION.** There is created a commission to be known as the "Ramsey County Hospital and Sanitarium Saint Paul-Ramsey Medical Center commission", whose duty is the operation, administration and management of the Saint Paul-Ramsey Hospital Medical Center facilities and Ramsey county tuberculosis sanitarium.

(2) (b) **MEMBERSHIP.** The "Ramsey county hospital and sanitarium Saint

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Paul-Ramsey Medical Center commission shall consist of 13 members appointed as follows:

(A) (1) Four members from the board of Ramsey county commissioners, including one residing outside the city of St. Paul Saint Paul, and

(B) (2) Nine citizen members, each of whom must be a resident of Ramsey county, all of whom shall be appointed by the board of county commissioners and there shall be one resident of each of the following Minnesota senate districts, as defined for the 1972 general election, appointed as a citizen member of the commission: Districts 48, 49 and 46 considered for the purposes of this section as one district, 50, 62, 63, 64, 65, 66 and 67. ~~Not later than July 1, 1973.~~ The state senator and representatives whose constituency resides within one of those senate districts shall nominate for commission membership up to three persons residing within such district and Ramsey county and shall submit such nominations to the Ramsey county board of commissioners. The Ramsey county board may appoint citizen members to the commission from the nominations received by senators and representatives, and in any event shall make all initial appointments ~~pursuant to this section no later than July 31, 1973.~~ The same procedure shall be followed upon expiration of a citizen member's term. Vacancies shall be filled by the appointing authority in the same manner as regular appointments are made, within 30 days after the office is vacated. Nominations by legislators shall be submitted to the county board within 30 days after the office is vacated.

(3) (C) TERM. The four members appointed from the membership of the Ramsey county board of commissioners each serve for a term coinciding with his term as a county commissioner. Each of the other nine members hold office for three years and until his successor is appointed, except that for the first appointments, members appointed from senate districts 48, 62 and 65 shall hold office for one year. Members appointed from senate districts 49 and 46 combined, 63 and 66, shall hold office for two years and members appointed from senate districts 50, 64 and 67 shall hold office for three years. Vacancies on the board are filled by appointment in accordance with the provisions of ~~subsection~~ clause (b) (2) for the unexpired term of the position which is being filled. A member of the commission whose term expires, may be reappointed to the board if otherwise qualified. Citizen members may be compensated at the rate of \$35 per day for services actually and necessarily rendered not to exceed \$1,000 per year and all members shall be compensated for expenses incurred in the performance of their duties.

(4) Subd. 2. PROCEDURE AND ORGANIZATION. The commission may adopt bylaws. All meetings of the commission are meetings of a public body and open to the public; the minutes thereof are a matter of public record. The commission shall elect from its membership, for one year terms, a chairman, a vice-chairman and a secretary, and other officers as they deem necessary, who have the usual and customary duties, obligations and responsibilities of these offices, and who are required to be bonded at the discretion of the commission as the occasion requires. A majority of the voting members of the commission constitute a quorum.

(5) Subd. 3. POWERS AND DUTIES OF COMMISSION. (4) (a) The commission shall exercise the powers and duties of a county sanitarium commission under

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Minnesota Statutes, Section 251.02.

(2) (b) The commission is responsible for the operation, administration, management and control of the Saint Paul-Ramsey Hospital Medical Center, may carry malpractice insurance for the hospital staff and pay the premiums therefor and may appoint and, at its pleasure, remove a superintendent of the hospital. All other employees subject to the laws relating to the civil service of Ramsey county, when Laws 1969, Chapter 1104, took effect, remain so subject and their compensation is in accordance with the rules providing for the civil service of the county and under the supervision of the Ramsey county civil service department chief executive officer of the hospital and seven principal assistants. The commission shall reimburse Ramsey the county civil service department for these its services for other employees and the reimbursement is to be credited to the civil service department budget of the county civil service.

(3) (A) (c) The commission shall submit annually to the Ramsey county board of commissioners for approval of that body a budget that shows the estimated amount of money required for the operation and conduct of the affairs of the public hospital and sanitarium under control of the commission during the next ensuing year. The budget shall be submitted not later than November 1 of each year and shall include all money needed for the next ensuing year except funds for the construction of additional facilities. The budget, as submitted and approved or as revised by the Ramsey county board of commissioners and approved, is the budget of the commission for the next ensuing year. The Ramsey county board of commissioners shall consult with the commission before approval. When funds for the construction of additional facilities are needed, the commission shall make requests for funds to the city of Saint Paul and county of Ramsey jointly. The commission is to receive and be responsible for all funds from whatever source derived, and these funds are public funds.

(d) The commission has jurisdiction and authority over its accounts and payrolls and shall establish and maintain a public depository under Minnesota Statutes, Section 118.01.

(B) (e) It shall establish and maintain all necessary accounts. The commission may establish reserve accounts, depreciation accounts and working capital funds in order to operate on an accrual basis.

(E) (f) The commission may, with the prior approval of the Ramsey county board of commissioners, obtain working capital funds for the operation and maintenance of a facility under its jurisdiction by borrowing from funds under the jurisdiction of the Ramsey county board of commissioners or from a lending agency chartered by the United States or a state and authorized to do business in Minnesota. The contract may provide for the borrowing of money in an amount not to exceed a total at any one time outstanding of \$2,000,000. The commission shall determine the terms and conditions of the borrowing that are in the best interests of the commission and the county. The contract shall provide that the security for the loan will be evidenced by the notes of the commission and the accounts receivable, or any part thereof, available to the commission from the operation of the hospital.

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(D) (g) Neither the hospital nor any physical asset thereof, nor the full faith and credit of Ramsey county, may be pledged or available as security for its borrowing. A contract entered into pursuant hereto shall not extend for a term of more than two years from the date thereof and is subject in all particulars to the approval of the Ramsey county board of commissioners.

(E) The commission has jurisdiction over its accounts and payrolls and shall establish and maintain a public depository pursuant to the provisions of Minnesota Statutes 1971, Section 118.01.

(F) (h) The commission shall provide hospital and medical services for the general public, including the indigent, the contagiously ill, catastrophically injured, and city and county prisoners, and shall maintain the hospital as a research and teaching institution. To those ends it may make affiliation agreements with the Ramsey county nursing home, educational institutions, political subdivisions of the state of Minnesota or other states, boards, commissions and nonprofit organizations created pursuant to state statute for similar purposes.

(S) Subd. 4. PURCHASING. The commission shall purchase goods and materials commonly used by governmental agencies such as fuels, stationery and office supplies through the purchasing agent of the city of Saint Paul pursuant to the joint purchasing agreement, including the reimbursement provision between the city and the county and the laws applicable thereto. In addition to presently authorized methods, the commission may purchase directly or utilize the services of the city of St. Paul, the state, the university of Minnesota, or any other political subdivision or agency of the state in the purchase of all medical and scientific goods, materials and services related to the care of patients and the conduct of educational and research activities. These purchases shall be made in compliance with the laws of the state. Notwithstanding any law to the contrary, the Saint Paul-Ramsey Medical Center commission may purchase directly or utilize the services of a nonprofit cooperative hospital service organization, the city of Saint Paul, the state, the university of Minnesota, or any other political subdivision or agency of the state in the purchase of all goods, materials and services that the commission may require. These purchases shall be made in compliance with laws of the state, except that purchase through a nonprofit cooperative hospital service organization is not subject to Minnesota Statutes, Section 471.345.

(G) Subd. 5. COUNTY ATTORNEY. The Ramsey county attorney is the attorney and legal advisor of the commission. The commission shall reimburse Ramsey county for his services and the reimbursement is to be credited to the budget of the Ramsey county attorney.

(H) Subd. 6. CERTAIN AGREEMENTS PROHIBITED. Notwithstanding any law to the contrary, the commission may not enter into an exclusive agreement with a medical school which would preclude the use of Saint Paul-Ramsey Hospital Medical Center in the training of medical students of another medical school. Notwithstanding any law to the contrary, the commission may not enter into an agreement with another hospital which would relieve the other hospital of responsibility to a patient of the other hospital for the furnishing of hospital services obtainable at that hospital.

(e) Subd. 7. FINANCING. (1) (a) Indebtedness for construction of existing facilities is to be retired as provided in Laws 1957, Chapter 938, and to be jointly financed by the city of Saint Paul and Ramsey county in accordance with the applicable provisions of law. If the hospital revenues justify they shall be applied to the retirement of the indebtedness.

(2) (b) The commission may accept from the United States, the state of Minnesota or another agency or local subdivision of government and from private sources land, money or other assistance for the purposes of carrying out the provisions of this section.

(f) Subd. 8. TRANSFER OF CONTROL. (1) (a) Notwithstanding any law to the contrary, the operation, management and control of the Saint Paul-Ramsey hospital Medical Center and the Ramsey county tuberculosis sanitarium are transferred from the county welfare board of the city of Saint Paul and county of Ramsey to the "Ramsey County Hospital and Sanitarium Saint Paul-Ramsey Medical Center commission".

(2) (b) All the powers and duties concerning institutional care of the sick or injured indigent, the contagiously ill, the catastrophically injured, and the city and county prisoners at Saint Paul-Ramsey Hospital Medical Center and the Ramsey county sanitarium vested in or imposed upon the Ramsey county welfare board of the city of Saint Paul and county of Ramsey and the Ramsey county sanitarium commission are transferred to, vested in, and imposed upon the "Ramsey County Hospital and Sanitarium Saint Paul-Ramsey Medical Center commission".

(g)(1) The "Ramsey County Hospital and Sanitarium Commission"; to which the functions, powers and duties of the previously-existing board, commission or other agency are assigned and transferred; is a constituted continuation of the former board, commission or other agency as to matters within the jurisdiction of the former board, commission or other agency and not a new authority for the purpose of succession to all rights, powers, duties and obligations of the former board, commission or other agency as constituted at the time of the assignment or transfer except as otherwise provided by this section, with the same force and effect as if the functions, powers and duties had not been assigned or transferred.

(2) The Ramsey county hospital and sanitarium commission may conduct and complete a proceeding, court action, prosecution, or other business or matter undertaken or commenced before the passage of Laws 1969, Chapter 1104, by a board, commission or other agency, the functions, powers and duties whereof are by this section assigned and transferred to the Ramsey county hospital and sanitarium commission, and still pending at the time of the passage of Laws 1969, Chapter 1104, 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 board, commission or other agency before the transfer.

(3) The head of a board, commission or other agency whose functions, powers and duties are by this section assigned and transferred to the Ramsey county hospital and sanitarium commission shall transfer and deliver to the Ramsey county hospital and sanitarium commission all contracts, books, bonds, plans, papers, records and property of

every description within its jurisdiction or control. The chairman of the Ramsey county hospital and sanitarium commission is authorized to take possession of this property.

(4) All unspent funds appropriated to a board, commission or other agency for the purpose of any of its functions, powers or duties which are transferred by this section to the Ramsey county hospital and sanitarium commission are transferred to the Ramsey county hospital and sanitarium commission. Where unspent funds appropriated to a board, commission or agency for the purposes of any of its functions, powers or duties are changed by this section so that the functions, powers or duties are in more than one board, commission or agency, the Ramsey county board of commissioners shall allocate the appropriation between the boards, commissions and agencies concerned.

(h) 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 section from a board, commission or other agency to another.

(i) (c) This act section supersedes all laws inconsistent herewith; and particularly Minnesota Statutes, Section 251.02.

(j) Subd. 9. CONSTRUCTION OF SAINT PAUL-RAMSEY MEDICAL CENTER. (j) (a) AUTHORIZATION. Ramsey county and the city of Saint Paul may acquire land for, erect, equip and furnish a hospital and nurses' home.

(2) (b) DIVISION OF COSTS BETWEEN COUNTY AND CITY. The cost and expense of acquiring land for, erecting, equipping and furnishing the hospital and nurses' home is to be borne by the county and city in the following proportion: the county shall pay 72-1/2 percent of the cost and expense, and the city shall pay 27-1/2 percent of the cost and expense.

(3) (c) BONDS, ISSUANCE BY COUNTY. The county may borrow a sum not to exceed \$11,600,000, or so much thereof as the board of county commissioners of Ramsey county considers necessary, to defray the county's share of the cost and expense of the acquisition of land for, the erection, equipping and furnishing of the hospital and nurses' home. The board of county commissioners may issue and sell, from time to time, and without submitting the question of the issuance of the bonds to a vote of the people, the bonds of the county in the sum and amount of \$11,600,000, or the part thereof that the county board considers necessary, the proceeds of the sale of the bonds to be used for the purposes specified herein, and may secure the payment of the bonds by pledging the full faith and credit of the county therefor. The bonds shall be in the form and bear interest at the rate that the county may prescribe and the county through its board of county commissioners shall sell them to the highest bidder therefor, after notice of the time and the place for the receiving of the bids is published according to law. The bonds are to be issued to mature serially, the first installment of which becoming due and payable in not more than three years and the last of which becoming due and payable in not more than 30 years from their date. The county shall deposit the proceeds received from the sale of the bonds in a fund to be designated as hospital facility fund; the money shall be disbursed therefrom in the same manner as other funds of the county are disbursed, but

only for the purposes herein expressed, and according to such other procedural requirements in reference thereto as are set out specifically in this subsection subdivision.

(4) (d) BONDS, ISSUANCE BY CITY. The city of Saint Paul may borrow a sum not to exceed \$4,400,000, or so much thereof as the governing body of the city considers necessary, to defray its share of the expense of the acquisition of land, the erection, equipping and furnishing of the hospital and nurses' home. The governing body of the city may issue and sell, from time to time and without submitting the question of the issuance of the bonds to a vote of the people, the bonds of the city in the sum and amount of \$4,400,000 or the part thereof that the city council considers necessary, the proceeds of the sale of the bonds to be used for the purposes specified herein, and may secure the payment of the bonds by pledging the full faith and credit of the city therefor. The bonds shall be in the form and bear interest at the rate as the city prescribes and the city through its governing body shall sell them to the highest bidder therefor, after notice of the time and the place for the receiving of the bids is published according to law. The bonds are issued to mature serially, the first installment of which becoming due and payable in not more than three years and the last of which becoming due and payable in not more than 30 years from their date. The city shall deposit the proceeds received from the sale of the bonds in a fund to be designated as hospital facility fund, and the moneys shall be disbursed therefrom in the same manner as other funds of the city are disbursed, but only for the purposes herein expressed, and according to such other procedural requirements in reference thereto as are set out specifically in this subsection subdivision. These bids shall not be included in computing the net indebtedness of the city under an applicable law or charter.

(5) (e) TAX LEVY BY CITY FOR PAYMENT OF BONDS. The city may levy annually upon the taxable property in the city, without limitation as to rate or amount, the *ad valorem tax that is necessary to pay for the interest on the bonds as it accrues and to pay for the principal thereof in full at maturity*. The levy of the tax for this purpose is granted to the city to levy taxes for the payment of the principal and interest of the bonds is in addition to all other taxing powers of the city, and exists independently of any restrictions upon the power of the city to levy taxes for other purposes.

(6) (f) COUNTY AUDITOR, DUTIES. If the board of county commissioners or the governing body of the city fails to make provision in their annual tax levies for the payment and redemption of the bonds with the interest thereon as they become due and payable, the county auditor of Ramsey county shall add to the amount of taxes to be raised by the county or city an amount sufficient to provide for the payment and redemption of the bonds with interest due thereon.

(7) (g) BONDS; CHAPTER 475, APPLICABLE. Except as otherwise provided in this subsection subdivision, the issuance of the bonds herein authorized by the city or county shall be governed by the provisions of Minnesota Statutes, Chapter 475.

(8) (h) There is appropriated from the general fund in the state treasury to the regents of the university of Minnesota the sum of \$90,000 for the biennium for the medical education programs at St. Paul Ramsey hospital.

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(2) It is in the public interest to foster, expand, and stabilize the financial support of medical education; and particularly in the training of persons primarily interested in patient care. The health science activities at St. Paul-Ramsey hospital have been utilized by the regents of the university of Minnesota for these purposes and it is desirable that these activities be properly funded. To this end the appropriations set forth in subdivision 1 are made and the regents of the university of Minnesota are respectfully requested to continue health science education at St. Paul-Ramsey hospital.

(3) The regents of the university of Minnesota are also respectfully requested to continue to provide health science education opportunities to qualified persons under its authority and acting in cooperation with the Ramsey county hospital and sanitarium commission. Such educational opportunities shall utilize, if possible, other St. Paul area hospital and health institutions and existing regional rural hospitals, clinics, and physicians.

(4) The appropriations made by (1) will be available to the regents of the university of Minnesota in accordance with the terms thereof when

(A) they advise the state auditor formally on or before July 1, 1973, that the respective requests set forth in this section are granted; and

(B) that the Ramsey county hospital and sanitarium commission on or before July 1, 1973, likewise advises the state auditor formally that it desires to cooperate with the regents of the university in the manner set forth in this subsection.

(5)(A) An advisory committee is hereby appointed to evaluate and review the medical education programs at St. Paul Ramsey hospital, including future expansions thereof; and submit a report thereof to the vice president for health sciences at the university of Minnesota who will report to the president and the board of regents. The board of regents shall submit its comments, together with those of the advisory committee, to the legislature on or before January 15, 1975.

(B) The advisory committee shall consist of:

(i) two members selected by the regents of the university of Minnesota;

(ii) two members selected by the Ramsey county hospital and sanitarium commission; one member of which shall represent the university faculty based in St. Paul-Ramsey hospital;

(iii) one citizen selected by the board of county commissioners of Ramsey county;

(iv) one member selected by the medical staff of the Gillette state hospital for crippled children;

(v) two additional members to represent other east metropolitan area health science institutions to be selected by the members of the advisory committee; and

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(vi) one member selected by the Ramsey county medical society.

(C) The higher education coordinating committee is the secretariat of the advisory committee and shall designate one of its members or an employee thereof as the secretary of the advisory committee.

(D) The advisory committee shall appoint a chairman who shall preside at its meetings and otherwise provide for its meetings by rule. None of the members thereof shall receive any compensation but each shall be reimbursed for his expenses in the same amounts and in the same manner as state employees.

(E) The higher education coordinating committee shall provide the advisory committee with a professional staff to meet its needs. The advisory committee will remain in operation no longer than June 30, 1975.

Sec. 2. **EFFECTIVE DATE.** All of this act, except section 1, subdivision 4, is effective upon approval by the board of commissioners of Ramsey county and upon compliance with Minnesota Statutes, Section 645.021. Section 1, subdivision 4, is effective upon approval by both the board of commissioners of Ramsey county and the city council of the city of Saint Paul and upon compliance with Minnesota Statutes, Section 645.021.

Approved March 23, 1978.

CHAPTER 546-H.F.No.1286

[Coded in Part]

An act relating to education; granting certain powers and duties relating to public libraries to the state board and the state department of education; providing grants for certain library systems; appropriating money; amending Minnesota Statutes 1976, Chapter 134, by adding sections; repealing Minnesota Statutes 1976, Sections 121.22; 121.23; 121.24; and 134.035.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.30] DEFINITIONS. Subdivision 1. As used in sections 1 to 6 of this act, the terms defined in this section shall have the meanings ascribed to them.

Subd. 2. "Public library" means any library that provides free access to all residents of a city or county without discrimination, receives at least half of its financial support from public funds and is organized under the provisions of chapter 134 or section 375.33. It does not include libraries such as law, medical, school and academic libraries organized to serve a special group of persons, or libraries organized as a combination of a public

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