

municipality, and shall designate polling places within the new municipality.

The acting clerk shall prepare the official election ballot. Affidavits of candidacy may be filed by any person eligible to hold municipal office not more than four weeks nor less than two weeks before the date designated by the board for the election. At least one week before the first day to file such affidavits the acting clerk shall publish a notice in a newspaper qualified as a medium of official publication and of general circulation within the new municipality stating the first and last dates on which such affidavits may be filed, the location of the clerk's office, the clerk's office hours, and the amount of the filing fee.

The acting clerk shall publish a notice of election in a newspaper qualified as a medium of official publication and of general circulation within the new municipality for two successive weeks immediately prior to the date designated by the board for the election. The election notice shall state the purpose, date, and polling places for the election, and shall state the time the polls shall be open, which time shall be at least five hours.

~~If the new municipality is a statutory city, the election shall be conducted in conformity with the requirements of the laws for conducting a statutory city election insofar as applicable. If the new municipality is a home rule charter city, The election shall be conducted in conformity with the charter and the laws for conducting city municipal elections insofar as applicable. Any person eligible to vote at a township or municipal election within the area of the new municipality, is eligible to vote at such election.~~

Any excess in the expense of conducting the election over receipts from filing fees shall be a charge against the new municipality; any excess of receipts shall be deposited in the treasury of the new municipality.

Sec. 33. REPEALER. Minnesota Statutes 1976, Sections 414.021; 414.032; 414.033, Subdivision 4; 414.034; and 414.068; are repealed.

Sec. 34. APPLICABILITY. The provisions of this act shall be applicable to all proceedings before the Minnesota municipal board initiated after the effective date of this act.

Sec. 35. EFFECTIVE DATE. This act is effective on the day following its final enactment.

Approved March 28, 1978.

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#### CHAPTER 706-S.F.No.912

*An act relating to education; providing for the correction or elimination of erroneous, ambiguous, omitted and obsolete references and text; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 3; 120.171; 120.66; 121.12; 121.212, Subdivision 1; 121.28;*

**Changes or additions indicated by underline deletions by strikeout**

121.49; 121.86; 122.34; 123.12, Subdivision 2; 123.21; 123.34, Subdivisions 6, 8 and 10; 123.36, Subdivision 5; 123.37, Subdivisions 1 and 13; 123.39, Subdivision 6; 123.40, Subdivision 5; 123.58, Subdivisions 2, 4, 6 and 10; 123.581, Subdivisions 4 and 7; 123.69, Subdivision 2; 123.79, Subdivision 1; 124.09; 124.15, Subdivision 2; 124.38, Subdivision 10; 124.41, Subdivision 1; 124.47, Subdivision 1; 124.561, Subdivision 3; 125.12, Subdivisions 6b and 9; 125.183, Subdivision 5; 125.185, Subdivision 5; 136.09, Subdivision 3; 136.11, Subdivision 4; 136.141; 136.142, Subdivision 1; 136.145; 136.15; 136.31, Subdivision 2; 136A.142; 136A.17, Subdivision 1; 136A.172; 136A.173, Subdivision 1; 136A.174; 136A.175, Subdivision 4; 136A.176; 136A.177; 136A.178; 136A.179; 136A.28; 137.01, Subdivision 2; 275.09, Subdivision 4; 375.08; 375.14; 382.01; Minnesota Statutes, 1977 Supplement, Sections 121.02, Subdivision 1; 124.17, Subdivision 2; 124.212, Subdivision 11; 125.05, Subdivision 3; 125.61, Subdivision 2; 126.35, Subdivision 3; 126.46; 136A.55; repealing Minnesota Statutes 1976, Sections 120.02, Subdivision 11; 122.26; 123.12, Subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 12, 13 and 15; 123.13, Subdivisions 1, 3, 4, 5, 6 and 7; 123.14; 123.15, Subdivisions 4, 5, 6, 7, 8, 9 and 10; 123.16; 123.17; 123.18; 123.19; 123.20; 136.87, Subdivision 3; Laws 1965, Chapter 705, Section 1, Subdivisions 12, 13, 14, 15, 16 and 17; Laws 1969, Chapter 699, Section 2; Laws 1969, Chapters 939 and 1110; Laws 1971, Chapter 256; Laws 1977, Chapter 307, Section 27; and Laws 1977, Chapter 410, Section 13.

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

Section 1. Minnesota Statutes 1976, Section 120.10, Subdivision 3, is amended to read:

Subd. 3. **LEGITIMATE EXEMPTIONS.** ~~Such child may be excused from attendance upon application of his A parent, guardian, or other person having control of such a child; may apply to a school district to have the child excused from attendance for the whole or any part of the time school is in session during any school year. Application may be made to any member of the board, a truant officer, a principal, or the superintendent; for the whole or any part of such period, by. The school board of the district in which the child resides; may approve the application upon its the following being shown demonstrated to the satisfaction of such that board:~~

(1) That ~~such~~ the child's bodily or mental condition is such as to prevent his attendance at school or application to study for the period required; or

(2) That ~~such~~ the child has already completed the studies ordinarily required in the tenth grade; or

(3) That it is the wish of the parent, guardian, or other person having control of ~~such~~ the child, that he attend for a period or periods not exceeding in the aggregate three hours in any week, a school for religious instruction conducted and maintained by some church, or association of churches, or any Sunday school association incorporated under the laws of this state, or any auxiliary thereof; ~~such. This school to for religious instruction shall be conducted and maintained in a place other than a public school building, and in no event, in whole or in part, shall be conducted and maintained at public expense; provided, that. However,~~ a child may be absent from school on such days as the child attends upon instruction according to the ordinances of some church.

**Changes or additions indicated by underline deletions by ~~strikeout~~**

Provided that students in regular attendance at the University of Minnesota Northwest School of Agriculture at Crookston, Minnesota, and the University of Minnesota Southern School of Agriculture at Waseca, Minnesota, during the fall and winter terms may be excused from attendance between April 1 and October 1 in any year.

Sec. 2. Minnesota Statutes 1976, Section 120.171, is amended to read:

**120.171 EXPENDITURES LIMITED TO MEET FEDERAL REQUIREMENTS.**

Neither the state department of education nor any school district shall expend funds from state appropriations or local tax levies for the purpose of complying with the administrative requirements of Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975," except for those administrative requirements which are also contained in Minnesota laws and statutes, including Laws 1976, Chapter 211, Sections 1 to 6, or established by the rules of the state board. Only federal funds received pursuant to Public Law 94-142 may be expended to meet these federal requirements not established by Minnesota laws or statutes or the rules of the state board, and no federal funds received pursuant to Public Law 94-142 may be expended for any other purpose until these requirements have been fulfilled.

Sec. 3. Minnesota Statutes 1976, Section 120.66, is amended to read:

**120.66 POWERS AND DUTIES OF THE STATE BOARD.** Subdivision 1. The state board of education shall:

(1) Promulgate rules ~~and regulations~~ necessary to the operation of ~~Laws 1974, Chapter 326 sections 120.59 to 120.67~~;

(2) Cooperate with and provide supervision of flexible school year programs to determine compliance with the provisions of ~~Laws 1974, Chapter 326 sections 120.59 to 120.67~~, the state board standards and qualifications, and the proposed program as submitted and approved;

(3) Provide any necessary adjustments of (a) attendance and membership computations and (b) the dates and percentages of apportionment of state aids.

(4) Consistent with the definition of "average daily membership" in section 124.17, subdivision 2, furnish the board of a district implementing a flexible school year program with a formula for computing average daily membership. This formula shall be computed so that tax levies to be made by the district, state aids to be received by the district, and any and all other formulas based upon average daily membership are not affected solely as a result of adopting this plan of instruction.

Subd. 2. ~~Laws 1974, Chapter 326 Sections 120.59 to 120.67~~ shall not be construed to authorize the state board to require the establishment of a flexible school year program in any district in which the school board has not voted to establish, maintain, and operate such a program.

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

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 121.02, Subdivision 1, is amended to read:

**121.02 STATE BOARD OF EDUCATION.** Subdivision 1. A state department of education is hereby created which shall be maintained under the direction of a state board of education composed of nine representative citizens of the state, at least one of whom shall reside in each congressional district in the state.

Of the nine representative citizens of the state who are appointed to the state board of education not less than three members thereof shall previously thereto have served as an elected member of a board of education of a school district however organized.

The members of the state board shall be appointed by the governor, with the advice and consent of the senate. One member shall be chosen annually as president, but no member shall serve as president more than three consecutive years. The state board shall hold its annual meeting ~~on the first Tuesday~~ in August. It shall hold meetings on dates and at places as it designates. No member shall hold any public office, or represent or be employed by any board of education or school district, public or private, and shall not voluntarily have any personal financial interest in any contract with a board of education or school district, or be engaged in any capacity where a conflict of interest may arise.

Sec. 5. Minnesota Statutes 1976, Section 121.12, is amended to read:

**121.12 FORMS AND BLANKS.** The state board shall prepare or designate standard forms for school registers, state board examination questions and answers, uniform forms for all reports required by ~~this chapter statute~~, uniform record books for district treasurers and clerks, and any other blanks necessary for school business. These forms may be purchased through the department and the request therefor shall conform to the rules and regulations of the department. The purchase of these forms by the department shall be made through the department of administration, division of printing, and is subject to the rules ~~and regulations~~ provided by statute for the purchase of such forms and examinations for the state. The purchase of these uniform forms and examinations may be made by the school districts directly from vendors.

Sec. 6. Minnesota Statutes 1976, Section 121.212, Subdivision 1, is amended to read:

**121.212 BOARD POWER TO REGULATE TRAFFIC.** Subdivision 1. Any school board or joint school board operating an area vocational-technical school, pursuant to section 121.21; Laws 1967, Chapter 822, as amended; Laws 1969, Chapter 775, as amended by Laws 1971, Chapter 269; or Laws 1969, Chapter 1060, as amended, may make, adopt and enforce rules, regulations or ordinances for the regulation of traffic and parking in parking facilities and on private roads and roadways situated on property owned, leased, occupied or operated by the board.

Sec. 7. Minnesota Statutes 1976, Section 121.28, is amended to read:

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**121.28 TEACHERS EMPLOYMENT BUREAU, DIRECTOR.** The commissioner shall nominate and the state board shall appoint a director of the state teachers employment bureau, who shall perform his duties under the general supervision of the commissioner and shall be furnished necessary office rooms ~~in the state capitol~~. The state board may appoint such clerical and other assistants as may be required to carry out the purposes of the state teachers employment bureau. The state board shall make the necessary rules and regulations for conducting this bureau. The commissioner shall designate one employee of this bureau who shall collect and receipt for all fees and report and pay the fees to the state treasurer.

Sec. 8. Minnesota Statutes 1976, Section 121.49, is amended to read:

**121.49 ITEMIZATION OF AMOUNT OF AID TO DISTRICTS.** The department of education shall itemize for each school district in the state the total amount of money and the amount of money per pupil unit which accrues to the district ~~for the year ending June 30, 1972 and for each fiscal year thereafter~~ from each type of state and federal aid, refund, payment, credit, disbursement or monetary obligation of any kind, including but not limited to each special state aid, emergency aid, payments in lieu of taxes, and pension and retirement obligations for the benefit of personnel of the district. State agencies which have information necessary for the itemization required by this section shall provide the information to the department of education. The completed itemizations shall be made available to the appropriate standing committees of the legislature in convenient reference form not later than December 1 following the year for which they are made.

Sec. 9. Minnesota Statutes 1976, Section 121.86, is amended to read:

**121.86 ADMINISTRATION.** There is hereby created within the department of education the position of state director of community school programs who shall administer sections 121.85 to 121.88 subject to the control of the state board of education. The director shall prepare and submit to the board recommended rules ~~and regulations~~ defining program areas, reimbursement aid payment procedures, and any other requirements relevant to the promotion, implementation, and operation of community school programs throughout the state. The board shall adopt such recommended rules ~~and regulations~~ as it deems necessary and appropriate to forward the purposes of sections 121.85 to 121.88.

Sec. 10. Minnesota Statutes 1976, Section 122.34, is amended to read:

**122.34 PRIVATE SCHOOLS IN NONOPERATING DISTRICTS.** ~~Sections 122.31, Section 122.32, and 122.33~~ shall not apply to any school district in which is located any existing private school maintaining elementary and secondary education for 75 percent of eligible pupils within the district and complying with the requirements of Minnesota Statutes ~~1961~~, Section 120.10, Subdivision 2.

Sec. 11. Minnesota Statutes 1976, Section 123.12, Subdivision 2, is amended to read:

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Subd. 2. The board shall submit to the annual meeting an estimate of the expenses of the district for the coming year for a school term as determined by the board and for such other specified purposes as the board may deem proper ~~and~~. If such meeting shall fail to vote a sufficient tax to maintain a ~~school~~ the district for such time, the board shall levy such tax pursuant to and within the limitations of section 275.125; but no board shall expend any money or incur any liability for any purpose beyond the sum appropriated by vote of the district for such purpose, or levied by the board pursuant to this subdivision, or on hand and applicable thereto.

Sec. 12. Minnesota Statutes 1976, Section 123.21, is amended to read:

**123.21 LIMITATION OF SECTIONS.** Material contained in sections 123.11 to 123.20 relates only to common school districts numbers 323 and 815. The provisions of law relating to independent school districts shall apply to and govern these common school districts unless a particular provision of sections 123.11 to 123.20 provides for the matter, in which case that provision shall apply and control.

Sec. 13. Minnesota Statutes 1976, Section 123.34, Subdivision 6, is amended to read:

Subd. 6. Every district treasurer shall give a corporate surety bond to the state. The board ~~to shall~~ fix the specific amount of the bond in an amount sufficient to protect the interest of the district, and the bond ~~to shall~~ be approved by the board and conditioned for the faithful discharge of ~~his~~ the official duties of the district treasurer. The district shall pay the bond premium. The school board may, at any time by a majority vote, require the treasurer to give a new or an additional bond ~~and~~. Upon his failure to furnish ~~same~~ the new or additional bond within a reasonable time after notice, the board shall declare the office of treasurer vacant. Any bond hereunder, before approval by the school board, shall be approved as to its form by the state auditor, county attorney, or an attorney designated by the school board. All such bonds shall be filed with the county auditor and the county auditor shall not deliver any warrants for tax settlements or state aids until such bond has been filed.

Sec. 14. Minnesota Statutes 1976, Section 123.34, Subdivision 8, is amended to read:

Subd. 8. The clerk shall keep ~~books provided by the district for that purpose~~ a record of all meetings of the district and the board in books provided by the district for that purpose. He shall, within three days after an election notify all persons elected of their election and, on or before July 10 in each year, make and transmit to the ~~county~~ superintendent a certified report, showing:

- (1) The condition and value of school property;
- (2) The receipts and disbursements in detail, and such other financial matter as may be called for by the commissioner;
- (3) The length of school term and the enrollment and attendance by grades;

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(4) *The names and post-office addresses of all directors and other officers; and*

(5) Such other items of information as may be called for by the commissioner.

He shall enter in his record book copies of all his reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished him by the clerk pro tem, and keep an itemized account of all the expenses of the district. He shall furnish to the auditor of the proper county, on or before October 10 of each year, an attested copy of his record, showing the amount of money voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chairman. Such orders shall state the consideration, payee, and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 15. Minnesota Statutes 1976, Section 123.34, Subdivision 10, is amended to read:

Subd. 10: Each school building or unit of classification as designated by section 120.05, subdivision 1, clauses (1), (2) and (3), in an independent ~~or consolidated~~ school district shall be under the supervision of a principal who is assigned to that responsibility by the board of education in that school district upon the recommendation of the superintendent of schools of that school district.

Each principal assigned the responsibility for the supervision of a school building or units of classification shall hold valid certification in ~~his~~ the assigned position of supervision and administration as established by the ~~regulations~~ rules of the state board of education.

The principal shall provide administrative, supervisory and instructional leadership services, under the supervision of the superintendent of schools of the school district and in accordance with the policies, rules and regulations of the board of education, for the planning, management, operation and evaluation of the education program of the building or buildings to which he is assigned.

Sec. 16. Minnesota Statutes 1976, Section 123.36, Subdivision 5, is amended to read:

Subd. 5. The board may authorize the use of any schoolhouses in the district for divine worship, Sunday schools, public meetings, elections, and such other community purposes as, in its judgment, will not interfere with their use for school purposes; but before permitting such use, the board may require a cash or corporate surety bond in a reasonable amount conditioned for the proper use of such schoolhouse, the payment of all rent and the repair of all damage occasioned by such use, and it may charge and collect for the use of the district from the persons using such schoolhouse such reasonable compensation as it may fix.

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It may authorize the use of any schoolhouses or buildings in and of the district for the holding of primaries, elections, registrations, and all action in connection therewith in such manner as in its judgment, will not interfere with their use for school purposes. It may impose such reasonable regulations and conditions upon such use as may seem ~~meet~~ necessary and proper.

Sec. 17. Minnesota Statutes 1976, Section 123.37, Subdivision 1, is amended to read:

**123.37 INDEPENDENT SCHOOL DISTRICTS, CONTRACTS.** Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed that specified in section 471.345, subdivision 3, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. ~~Such~~ This notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

~~Such~~ Additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, be duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and be otherwise conditioned as required by law. The person to whom the contract is awarded shall give a sufficient bond to the board for its faithful performance. A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more written

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quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

Every contract made without compliance with the provisions of this section shall be void. Provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Firm bid contracts for the purchase of milk and ice cream renegotiated between August 25, 1973 and July 1, 1974 which provide for a price increase or decrease based upon a demonstrable industrywide or regional increase in the vendor's costs are valid and not void under this subdivision; provided that the adjustment shall not exceed the increase or decrease authorized in the applicable federal marketing order for raw milk; and provided further that a school district which did not renegotiate its contract before February 1, 1974, shall not adjust its contract to provide for price increases or decreases for purchases made before February 1, 1974.

Sec. 18. Minnesota Statutes 1976, Section 123.37, Subdivision 13, is amended to read:

Subd. 13. The decision of the state board may be reviewed on certiorari by the district court of the county in which the school district or any part thereof is located, and the reasonableness of the state board's decision under all the circumstances of the case shown by the record will be a judicial question of fact.

Sec. 19. Minnesota Statutes 1976, Section 123.39, Subdivision 6, is amended to read:

Subd. 6. The board may transport pupils residing outside of the district but attending school therein upon if these pupils presenting present themselves within the district on one of the regular routes traveled in the transportation of the pupils of the district.

Sec. 20. Minnesota Statutes 1976, Section 123.40, Subdivision 5, is amended to read:

Subd. 5. The district may destroy the following records:

(1) Claims and vouchers paid by the district more than ten years prior to such destruction;

(2) Receipts, miscellaneous papers, and correspondence bearing dates more than ten years prior to destruction;

(3) Order and checks paid more than ten years prior to destruction.

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The officer having custody of said records shall obtain written approval of the governing body of the district. The approval shall be in the form of a resolution listing the classes of records authorized to be destroyed and the range of dates in each class. A copy of the resolution consenting to the destruction of such records shall be sent to the ~~state archives commission records disposition panel established pursuant to section 138.17~~. If no petition or application requesting the records from the ~~archives commission records disposition panel~~ is received by said school district within 30 days after mailing of the resolution, the records shall be destroyed by the officer having custody.

This subdivision is supplementary to other statutory or charter authority to destroy obsolete district records and does not prevent destruction of such records at an earlier time or the destruction of other records when authorized by other statutory or charter provision.

Sec. 21. Minnesota Statutes 1976, Section 123.58, Subdivision 2, is amended to read:

**Subd. 2. ESTABLISHMENT OF EDUCATIONAL COOPERATIVE SERVICE UNITS.** (a) In furtherance of this policy, ten educational cooperative service units are designated. ~~The units~~ Each unit, should they ~~it~~ become operational, shall be termed ~~an~~ educational cooperative service ~~units~~ unit, hereafter designated as ~~an~~ ECSU. Geographical boundaries for each ECSU shall coincide with those identified in governor's executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, issued pursuant to the regional development act of 1969, Minnesota Statutes, Sections 462.381 to 462.397, with the following exceptions:

- (i) Development regions one and two shall be combined to form a single ECSU;
- (ii) Development regions six east and six west shall be combined to form a single ECSU;
- (iii) Development regions seven east and seven west shall be combined to form a single ECSU.

The ECSU shall cooperate with the regional development commission for the region with which its boundaries coincide but shall not be responsible to nor governed by that regional development commission.

(b) The geographic location of the central administrative office of a school district shall determine the membership of the total school district in a particular ECSU. Existing school district boundaries shall not be altered as a result of ~~Laws 1976, Chapter 8~~ this section.

(c) Two or more identified ECSU units may, upon approval by a majority of school boards of participating school districts in each affected ECSU, be combined and administered as a single ECSU unit but state assistance shall be allocated on the basis of two or more ECSU units.

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

(d) The initial organization of each ECSU may occur only upon petition to the state board of education by a majority of all school districts in an ECSU. The state board of education shall, upon receipt of ~~such~~ this petition, invite representation from all public school districts in an ECSU at a regional meeting. The state board of education shall then assist in the necessary organizational activities for establishment of an ECSU pursuant to the requirements of ~~Laws 1976, Chapter 8~~ this section.

Sec. 22. Minnesota Statutes 1976, Section 123.58, Subdivision 4, is amended to read:

**Subd. 4. MEMBERSHIP AND PARTICIPATION.** Full membership in an ECSU shall be limited to public school districts of the state but non-voting associate memberships shall be available to non-public school administrative units within the ECSU. Participation in programs and services provided by the ECSU shall be discretionary and no school district shall be compelled to participate in these services under authority of ~~Laws 1976, Chapter 8~~ this section, except that all school districts whose central administrative offices are within that ECSU whose boundaries coincide with those of development region 11 shall participate in the planning and planning research functions of that ECSU. No planning or planning research decision of that ECSU shall be binding on these region 11 districts. Non-public school students and personnel may participate in programs and services to the extent allowed by law.

Sec. 23. Minnesota Statutes 1976, Section 123.58, Subdivision 6, is amended to read:

**Subd. 6. DUTIES AND POWERS OF ECSU BOARD OF DIRECTORS.** The board of directors shall have authority to maintain and operate an ECSU. Subject to the availability of necessary resources, the powers and duties of this board shall include the following:

(a) The board of directors shall submit within 90 days after the filing of the initial petition with the state board of education and by June 1 of each year thereafter to the state board of education and to each participating school district an annual plan which describes the objectives and procedures to be implemented in assisting in resolution of the educational needs of the ECSU.

(b) The ECSU board of directors may provide adequate office, service center, and administrative facilities by lease, purchase, gift, or otherwise, subject to the review of the state board of education as to the adequacy of the facilities proposed.

(c) The ECSU board of directors may employ a central administrative staff and other personnel as necessary to provide and support the agreed upon programs and services. The board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. ECSU staff and personnel may participate in retirement programs and any other programs available to public school staff and personnel.

(d) The ECSU board of directors may appoint special advisory committees

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composed of superintendents, central office personnel, building principals, teachers, parents and lay persons.

(e) The ECSU board of directors may employ service area personnel pursuant to ~~certification~~ licensure standards developed by the state board of education and the board of teaching.

(f) The ECSU board of directors may enter into contracts with school boards of local districts including school districts outside the ECSU area.

(g) The ECSU board of directors may enter into contracts with other public and private agencies and institutions which may include, but are not limited to, contracts with Minnesota institutions of higher education to provide administrative staff and other personnel as necessary to furnish and support the agreed upon programs and services.

(h) The ECSU board of directors shall exercise all powers and carry out all duties delegated to it by participating local school districts under provisions of the ECSU bylaws. The ECSU board of directors shall be governed, when not otherwise provided, by the provisions of law applicable to independent school districts of the state.

(i) The ECSU board of directors shall submit an annual evaluation report of the effectiveness of programs and services to the school districts within the ECSU and the state board of education by September 1 of each year following the school year in which the program and services were provided.

(j) The ECSU board is encouraged to establish cooperative, working relationships with post-secondary educational institutions in the state.

Sec. 24. Minnesota Statutes 1976, Section 123.58, Subdivision 10, is amended to read:

Subd. 10. **JOINT POWERS ACT.** Nothing in ~~Laws 1976, Chapter 8~~ this section shall restrict the authority granted to school district boards of education by section 471.59.

Sec. 25. Minnesota Statutes 1976, Section 123.581, Subdivision 4, is amended to read:

Subd. 4. **DUTIES.** The advisory council shall be charged with the following duties:

(1) To make recommendations to the state board of education as to priority in the use of funds available for the in-service training programs for classroom teachers;

(2) To formulate and recommend policies as to the awarding of grants by the state board;

(3) To propose minimum standards to be met by the district in order to receive program approval;

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(4) To review proposals of programs submitted by the district and make recommendations as to acceptability; and

(5) Evaluate and make periodic reports on the programs funded under ~~Laws 1976, Chapter 8~~ this section to the state board of education, the board of teaching and the council on quality education.

Sec. 26. Minnesota Statutes 1976, Section 123.581, Subdivision 7, is amended to read:

Subd. 7. ~~There is hereby appropriated from the general fund to the state board of education for the purposes of this section the sum of \$100,000. Notwithstanding the provisions of section 16A.28 or any other law, this appropriation shall not cancel but shall be available until July 1, 1977.~~

The state board of education shall provide such personnel and resources as needed in order to carry out the duties assigned to the advisory council in ~~Laws 1976, Chapter 8~~ this section.

Sec. 27. Minnesota Statutes 1976, Section 123.69, Subdivision 2, is amended to read:

Subd. 2. **EMPLOYEES SHOWING TUBERCULOSIS.** If the examination prescribed by rule ~~and regulation~~ of the state board of health shows evidence of active tuberculosis and the employee is certified by the employee's physician to be infectious and to be a danger to the public health, it shall be the duty of the school board or the person or persons legally responsible for the private or parochial school, day care center or nursery school immediately to exclude the person from his employment during the period of infectiousness; provided, however, that an exclusion from employment shall not restrict the rights acquired by teachers pursuant to sections ~~125.07 and~~ 125.12 and 125.17.

Sec. 28. Minnesota Statutes 1976, Section 123.79, Subdivision 1, is amended to read:

123.79 **FUNDS AND AIDS.** Subdivision 1. Such state aids as may become available or appropriated shall be governed by section ~~124.22~~ 124.222, be paid to the school district entitled thereto for the equal benefit of all school children, and be disbursed in such manner as determined by the board.

Sec. 29. Minnesota Statutes 1976, Section 124.09, is amended to read:

124.09 **SCHOOL ENDOWMENT FUND, APPORTIONMENT.** ~~Beginning with the apportionment in October, 1972,~~ The school endowment fund shall be apportioned semiannually by the state board, on the first Monday in March and October in each year, to districts whose schools have been in session at least nine months; The apportionment shall be in proportion to the number of pupils between the ages of five and twenty-one years who shall have been in average daily membership during the preceding year; provided, that apportionment shall not be paid to a district for pupils for whom tuition is

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received by ~~such~~ the district.

Sec. 30. Minnesota Statutes 1976, Section 124.15, Subdivision 2, is amended to read:

Subd. 2. Whenever the board of the district authorizes or permits within the district violations of law by:

(1) employment in a public school of the district of a teacher who does not hold a valid teaching ~~certificate~~ license or permit, or

(2) noncompliance with a mandatory rule or regulation of general application promulgated by the state board in accordance with statute in the absence of special circumstances making enforcement thereof inequitable, contrary to the best interest of, or imposing an extraordinary hardship on, the district affected, or

(3) continued performance by the district of a contract made for the rental of rooms or buildings for school purposes, or for the free transportation of children to and from school or for the rental of any facility owned or operated by or under the direction of any private organization, which contract has been disapproved where time for review of the determination of disapproval has expired and no proceeding for review is pending, or

(4) any practice which is a violation of sections 1 and 2 of article 13 of the Constitution of the state of Minnesota, or

(5) failure to provide reasonably for the school attendance to which a resident pupil is entitled under Minnesota Statutes, or

(6) noncompliance with state laws prohibiting discrimination because of race, color, creed, religion, national origin, sex, age, marital status, status with regard to public assistance or disability, as defined in Minnesota Statutes ~~1974~~, Section 363.03,

the special state aid to which a district is otherwise entitled for any school year shall be reduced in the amount and upon the procedure provided in this section or, in the case of the violation stated in clause (1), upon the procedure provided in section 124.19, subdivision 3.

Sec. 31. Minnesota Statutes, 1977 Supplement, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped prekindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn.

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Nothing in ~~Extra Session Laws 1971, Chapter 31, this subdivision~~ shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days said schools are in session. For districts operating 12 months schools, days schools are in session shall mean the number of session days required by section 124.19, subdivision 1.

Sec. 32. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 11, is amended to read:

Subd. 11. (a) The committee shall not increase the adjusted assessed valuation, exclusive of property valuation added, improved, reclassified, or reassessed since the prior assessment, of taxable property for 1962 or any subsequent year in any school district by more than eight percent over the certified valuation established for the year immediately preceding.

(b) The sales ratio studies, or any part thereof, or any copy of the same, or records accumulated in preparation thereof, which are prepared by the commissioner of revenue for the equalization aid review committee for use in determining school aids pursuant to this section published by the department of revenue shall not be admissible in evidence in any proceeding, except that in the case of property described in section .273.13, subdivisions 6, 6a, 7, 7b, 10 or 12 the sales ratio studies shall be admissible as a public record without the laying of a foundation in actions under chapter 278 ~~and, in~~ actions for review of the determination of the school aids payable under this section or in actions brought in the small claims division of the tax court.

Sec. 33. Minnesota Statutes 1976, Section 124.38, Subdivision 10, is amended to read:

Subd. 10. "Committee" means the school loan equalization aid review committee.

Sec. 34. Minnesota Statutes 1976, Section 124.41, Subdivision 1, is amended to read:

124.41 **SCHOOL LOANS.** Subdivision 1. The members of the equalization aid review committee defined in section 124.212, subdivision 10, shall receive and consider applications for and grant or deny loans under ~~Extra Session Laws 1959, Chapter 27 sections 124.36 to 124.47.~~

Sec. 35. Minnesota Statutes 1976, Section 124.47, Subdivision 1, is amended to read:

124.47 **REPEALER AND SAVINGS CLAUSE.** Subdivision 1. Minnesota Statutes 1957, Sections 120.51 to 120.57 are hereby repealed; provided that nothing herein shall impair the validity of any bonds issued pursuant to said sections or of the appropriations therein made, or of any expenditures made pursuant to said appropriations prior to the effective date of ~~Extra Session Laws 1959, Chapter 27, Sections 1 to 13~~ May 23, 1959, and all such bonds and expenditures are hereby legalized and validated; but the school

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construction loan fund created by Minnesota Statutes 1957, Section 120.57 shall be discontinued on the effective date of Extra Session Laws 1959, Chapter 27, Sections 1 to 13 May 23, 1959, and all moneys then remaining therein, and all subsequent collections of principal and interest on bonds purchased by said fund, are hereby appropriated to the fund created by sections 124.36 to 124.47.

Sec. 36. Minnesota Statutes 1976, Section 124.561, Subdivision 3, is amended to read:

Subd. 3. **BUDGETS.** Before ~~January 1, 1976, and before~~ January 1 of each year ~~thereafter~~, post-secondary vocational-technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve the budgets for each district prior to June 1 of each year after a consolidated public hearing held pursuant to subdivision 3a. ~~The total amount of reimbursement payments approved for fiscal year 1975 payable in fiscal year 1976 shall not exceed by more than 14 percent the amount appropriated for post-secondary vocational-technical education for payment in fiscal year 1975.~~ No district shall increase its operating deficit during any fiscal year 1976 unless authorized to do so by the state board for vocational education. The state board for vocational education shall ~~before September 1, 1975~~ promulgate rules and regulations which establish the approval criteria for budgets, including responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; and other criteria set forth in the state plan for vocational education. The commissioner, in cooperation with the department of finance, shall establish program budget standards by which ~~area~~ post-secondary vocational-technical ~~institutes~~ schools shall submit financial requests.

Sec. 37. Minnesota Statutes, 1977 Supplement, Section 125.05, Subdivision 3, is amended to read:

Subd. 3. **EFFECTIVE DATE.** Nothing contained herein shall be construed as affecting the validity of a permanent certificate or license issued prior to July 1, 1969.

Sec. 38. Minnesota Statutes 1976, Section 125.12, Subdivision 6b, is amended to read:

Subd. 6b. **UNREQUESTED LEAVE OF ABSENCE.** The school board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave shall be effective at the close of the school year. In placing teachers on unrequested leave, the board shall be governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the ~~inverse~~ order of their employment. No teacher who has acquired continuing contract rights shall be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is

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~~certified~~ licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are ~~certified~~ licensed in the inverse order in which they were employed by the school district. In the case of merger of classes caused by consolidation of districts or in the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are ~~certified~~ licensed shall be negotiable;

(c) Notwithstanding clauses (a) and (b), if either the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights or the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority would place the district in violation of its affirmative action program, the district may retain the probationary teacher or the teacher with less seniority;

(d) Teachers placed on unrequested leave of absence shall be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are ~~certified~~ licensed. Reinstatement shall be in the inverse order of placement on leave of absence. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year shall be negotiable;

~~(e) Teachers, other than probationary teachers, terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e), in the 1973-74 school year shall be reinstated to the positions from which they have been terminated or, if not available, to other available positions in the school district in fields in which they are certified. Reinstatement shall be in the order of seniority. The order of reinstatement of continuing contract teachers who have equal seniority and who are terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e) in the 1973-74 school year shall be negotiable. These teachers shall also be subject to clauses (f), (g), (h), (i) and (k) of this subdivision.~~

~~(f) (e)~~ No appointment of a new teacher shall be made while there is available, on unrequested leave, a teacher who is properly ~~certified~~ licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to him, that he may return to employment and that he will assume the duties of the position to which appointed on a future date determined by the board;

~~(g) (f)~~ A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

~~(h) (g)~~ The unrequested leave of absence shall not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

~~(i) (h)~~ The unrequested leave of absence of a teacher who is not reinstated shall continue for a period of two years after which the right to reinstatement shall terminate;

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(\*) (i) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 3 and 4 shall apply to placement on unrequested leave of absence;

(\*) (i) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment compensation if otherwise eligible.

Sec. 39. Minnesota Statutes 1976, Section 125.12, Subdivision 9, is amended to read:

Subd. 9. **HEARING PROCEDURES.** Any hearing held pursuant to ~~Laws 1967, Chapter 890, this section~~ shall be held upon appropriate and timely notice to the teacher, and shall be private or public at the discretion of the teacher. At the hearing, the board and the teacher may each be represented by counsel at its or his own expense, and such counsel may examine and cross-examine witnesses and present arguments. The board shall first present evidence to sustain the grounds for termination or discharge and then receive evidence presented by the teacher. Each party may then present rebuttal evidence. Dismissal of the teacher shall be based upon substantial and competent evidence in the record. All witnesses shall be sworn upon oath administered by the presiding officer of the board. The clerk of the board shall issue subpoenas for witnesses or the production of records pertinent to the grounds upon the request of either the board or the teacher. The board shall employ a court reporter to record the proceedings at the hearing, and either party may obtain a transcript thereof at its own expense.

Sec. 40. Minnesota Statutes 1976, Section 125.183, Subdivision 5, is amended to read:

Subd. 5. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of fees; the selection and duties of an executive secretary to serve the board; and other provisions relating to board operations shall be as provided in Minnesota Statutes, Chapter 214 and Laws 1976, Chapter 222, Sections 2 to 7. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09.

Sec. 41. Minnesota Statutes 1976, Section 125.185, Subdivision 5, is amended to read:

Subd. 5. The executive secretary of the board of teaching shall keep a record of the proceedings of and a register of all persons licensed ~~under Laws 1973, Chapter 749 pursuant to the provisions of Minnesota Statutes, Chapter 125.~~ The register shall show the name, address, license number and the renewal thereof. The board shall on July 1, 1974, of each year or as soon thereafter as is practicable, and each year thereafter compile a list of such duly licensed teachers and transmit a copy thereof to the board. A copy of the register shall be available during business hours at the office of the board to any interested person.

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Sec. 42. Minnesota Statutes, 1977 Supplement, Section 126.35, Subdivision 3, is amended to read:

**Subd. 3. NOTICE OF ENROLLMENT; CONTENT; RIGHTS OF PARENTS.**

When a pilot program is established pursuant to sections 126.31 to 126.42, every school age child of limited English speaking ability (1) whose primary language is the non-English language which is the medium of instruction in the pilot program ~~and~~, (2) who resides in ~~a~~ the school district participating in ~~a~~ the pilot program and (3) who is not enrolled in an existing private school system, shall be eligible to enroll and to participate in ~~any~~ the pilot program in ~~transitional bilingual education~~, established under ~~Laws 1977, Chapter 306~~ by the school district for the classification to which he belongs ~~by the school district~~. The child shall be eligible to enroll and participate for a period of three years or until such time as he achieves a level of English language skills which will enable him to perform successfully in classes in which instruction is given only in English, whichever shall first occur. Consistent with the provisions of subdivision 2, nothing herein shall be construed to limit a school district's authority to enroll limited English speaking children, whose primary language is a non-English language other than the non-English language which is the medium of the instruction in the pilot program, in a program of bilingual education.

No later than ten days after the enrollment of any child in a program in transitional bilingual education, the school district in which the child resides shall notify by mail the parents of the child. Such notice shall:

- (a) Be in writing and be in English and in the primary language of the child's parents;
- (b) Inform the parents that their child has been enrolled in a program in transitional bilingual education;
- (c) Contain a simple, nontechnical description of the purposes, method and content of the program;
- (d) Inform the parents that they have the right to visit transitional bilingual education classes in which their child is enrolled;
- (e) Inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and
- (f) Inform the parents of their right to withdraw their child from a program in transitional bilingual education and the time and manner in which to do so.

Any parent whose child is enrolled in a program in transitional bilingual education shall have the absolute right, either at the time of the original notification of enrollment or at the close of any semester thereafter, to withdraw his child from the program by providing written notice of this intent to the principal of the school in which his child is enrolled or to the superintendent of the school district in which his child resides; provided that no withdrawal shall be allowed until the parent is informed in a conference with

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school district officials of the nature and purpose of the program. At that conference, parents must also be informed of the nature of the program into which the child will be placed. The conference shall be held in a manner and language understood by the parents. Nothing herein shall preclude a parent from reenrolling a child of limited English speaking ability in ~~the~~ a bilingual educational program.

Sec. 43. Minnesota Statutes, 1977 Supplement, Section 126.46, is amended to read:

**126.46 DECLARATION OF POLICY.** The legislature finds that a more adequate education is needed for American Indian pupils in the state of Minnesota. Therefore, pursuant to the policy of the state to ensure equal educational opportunity to every individual, it is the purpose of ~~Laws 1977, Chapter 342 sections 126.45 to 126.55~~ to provide for the establishment of American Indian language and culture education programs.

Sec. 44. Minnesota Statutes 1976, Section 136.09, Subdivision 3, is amended to read:

Subd. 3. ~~After July 1, 1969,~~ The state university board may institute a prescribed doctors curriculum of studies and award the appropriate doctoral degree to such persons who complete the prescribed curriculum of studies.

Sec. 45. Minnesota Statutes 1976, Section 136.11, Subdivision 4, is amended to read:

Subd. 4. **STUDENT ACTIVITIES.** Student activities as the term is used in ~~Laws 1943, Chapter 644,~~ this section means lecture courses, concerts, and other functions contributing to the mental, moral and cultural development of the student body and community in which they live, athletic activities, including intercollegiate contests, forensics, dramatics and such other activities of any nature as in the opinion of the state university board contribute to the educational, cultural, or physical well being of the student body.

Sec. 46. Minnesota Statutes 1976, Section 136.141, is amended to read:

**136.141 WORKSHOP COURSES.** Subdivision 1. The state university board is granted authority, in its discretion, to provide refresher and professional workshop courses for teachers ~~in rural or city schools in areas contiguous to where such universities are maintained for~~ and instruction of ~~for~~ persons to whom the regular instruction now afforded by the universities is unavailable. Courses of instruction may also be given in cooperation with agencies of the federal government in the interest of national defense.

Subd. 2. Credits earned by the students in such courses may be recognized and considered by the state university board.

Subd. 3. Tuition shall be fixed by the state university board for such instruction, taking into account the expense to the state in the particular class of course.

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Sec. 47. Minnesota Statutes 1976, Section 136.142, Subdivision 1, is amended to read:

136.142 **GIFTS, BEQUESTS, ETC.** Subdivision 1. The state university board may receive and accept on behalf of the state and for the benefit of any state university any gift, bequest, devise, or endowment which any person, firm, corporation, or association may make to the board by will, deed, gift, or otherwise for the purpose of the university activity funds. The state university board may use any moneys heretofore given it or any of the universities under its jurisdiction by any person, firm, corporation, or association by will, deed, gift, devise, or endowment for the purpose of providing moneys for any aspect of the university activity funds, provided that such use of such moneys is not inconsistent with the terms and conditions under which the money was received by the board or university under its jurisdiction. Gifts, bequests, devises, or endowments heretofore or hereafter so received are hereby appropriated to the board for the purposes stated. Gifts, bequests, devises or endowments of real property shall be reviewed by the ~~legislative buildings commission which~~ chairmen of the Minnesota house of representatives appropriations and the Minnesota senate finance committees who shall give its recommendation their recommendations to the legislative advisory commission. The legislative advisory commission shall then recommend to the board whether or not the property should be accepted. The recommendation of the committee shall be advisory only. Failure or refusal of the commission to make a recommendation promptly shall be deemed a negative recommendation. All taxes and special assessments constituting a lien on any real property received and accepted by the board under this section shall be paid in full before title is transferred to the state. All other moneys deposited in the university activity funds are hereby appropriated to the board for use in the respective universities where collected.

Sec. 48. Minnesota Statutes 1976, Section 136.145, is amended to read:

136.145 **MODEL SCHOOL; INJURIES TO SCHOOL CHILDREN, HOSPITAL AND MEDICAL BENEFITS.** The state university board may enter into a contract providing for the payment of cash benefits or the rendering or payment of hospital and medical benefits, or both, to school children injured while participating in the ~~athletic or supervised physical~~ activities of the model school of any state university, such contract to make the payment of such benefits or the rendering thereof the direct and sole obligation of the association or company entering into such contract with the board.

If the board deems it advisable, it may authorize employees to collect fees from the pupils enrolled in the model school who are to be or are covered by such contract, and to make payment of the premium or other charge for such contract or protection, providing payment of such premium or other charge shall not be made from funds received from the federal government or from the state nor from funds derived by the issuance of bonds.

The payment of any fees, premium, or other charge by such child shall not thereby make the board liable for any injuries incurred from such ~~athletic or supervised physical~~ model school activities.

Sec. 49. Minnesota Statutes 1976, Section 136.15, is amended to read:

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**136.15 REPORT TO COMMISSIONER OF EDUCATION.** The president of each state university shall make an annual written report to the commissioner of education and the higher education coordinating board on or before September 1, covering the term year of his school, and setting forth its general statistics, enrollment in each department and in each class of the university department, average attendance, the number graduating within the year, the number of teachers, the departments of each, and the general condition of its buildings, library, and apparatus, the number and names of all graduates then engaged in teaching, as far as known to him and the district or county in which each is teaching, and such other matters and suggestions as he may deem of interest to the public or conducive to the good of the university.

Sec. 50. Minnesota Statutes 1976, Section 136.31, Subdivision 2, is amended to read:

Subd. 2. Such bonds may bear such date or dates and may mature serially at such time or times not exceeding 40 years from their date or dates, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, may be delivered to the purchasers at such times and places, and may contain such terms and covenants, not inconsistent with ~~Laws 1957, Chapter 603~~ sections 136.41 and 136.42, all as may be provided by resolution of said board authorizing the issuance of such bonds.

Sec. 51. Minnesota Statutes 1976, Section 136A.142, is amended to read:

**136A.142 ADMINISTRATOR.** The administrator of ~~Laws 1973, Chapter 605~~ sections 136A.14 to 136A.179 shall be under the board independent of other authority and notwithstanding chapter 16.

Sec. 52. Minnesota Statutes 1976, Section 136A.17, Subdivision 1, is amended to read:

**136A.17 PROGRAM REQUIREMENTS.** Subdivision 1. Eligibility of student borrowers: An applicant shall be eligible to apply for a loan under the provisions of sections 136A.14 to 136A.17 if the board finds that he is an eligible student as defined by ~~Laws 1973, Chapter 605~~ in those sections and is eligible for a loan under federal regulations governing the federally insured student loan program.

Sec. 53. Minnesota Statutes 1976, Section 136A.172, is amended to read:

**136A.172 NEGOTIABLE NOTES; ISSUANCE; CONDITIONS.** The board may from time to time issue negotiable notes for the purpose of ~~Laws 1973, Chapter 605~~ sections 136A.14 to 136A.179 and may from time to time renew any notes by the issuance of new notes, whether the notes to be renewed have or have not matured. The board may issue notes partly to renew notes or to discharge other obligations then outstanding and partly for any other purpose. The notes may be authorized, sold, executed and delivered in the same manner as bonds. Any resolution or resolutions authorizing notes of the board or any issue thereof may contain any provisions which the board is authorized to include in any resolution or resolutions authorizing revenue bonds of the board or any

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issue thereof, and the board may include in any notes any terms, covenants or conditions which it is authorized to include in any bonds. All such notes shall be payable solely from the revenue of the board, subject only to any contractual rights of the holders of any of its notes or other obligations then outstanding.

Sec. 54. Minnesota Statutes 1976, Section 136A.173, Subdivision 1, is amended to read:

**136A.173 NEGOTIABILITY; BOND ANTICIPATION NOTES; PAYMENT; CONDITIONS.** Subdivision 1. The board may from time to time issue revenue bonds for purposes of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ and all such revenue bonds, notes, bond anticipation notes or other obligations of the board issued pursuant to ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ shall be and are hereby declared to be negotiable for all purposes notwithstanding their payment from a limited source and without regard to any other law or laws. In anticipation of the sale of such revenue bonds, the board may issue negotiable bond anticipation notes and may renew the same from time to time, but the maximum maturity of any such note, including renewals thereof, shall not exceed five years from the date of issue of the original note. Such notes shall be paid from any revenues of the board available therefor and not otherwise pledged, or from the proceeds of sale of the revenue bonds of the board in anticipation of which they were issued. The notes shall be issued in the same manner as the revenue bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions or limitations which a bond resolution or the board may contain.

Sec. 55. Minnesota Statutes 1976, Section 136A.174, is amended to read:

**136A.174 SECURITY FOR BONDS.** In the discretion of the board any revenue bonds issued under the provisions of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ may be secured by a trust agreement by and between the board and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within the state. Such trust agreement or the resolution providing for the issuance of such revenue bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged or any portion thereof. Such trust agreement or resolution providing for the issuance of such revenue bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of laws, including particularly such provisions as have hereinabove been specifically authorized to be included in any resolution or resolutions of the board authorizing revenue bonds thereof. Any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or of revenues or other moneys may furnish such indemnifying bonds or pledges such securities as may be required by the board. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the board may deem reasonable and proper for the security of the bondholders.

Sec. 56. Minnesota Statutes 1976, Section 136A.175, Subdivision 4, is amended to read:

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Subd. 4. All such revenue bonds shall be subject to the provisions of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ in the same manner and to the same extent as other revenue bonds issued pursuant to ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179.~~

Sec. 57. Minnesota Statutes 1976, Section 136A.176, is amended to read:

**136A.176 BONDS NOT STATE OBLIGATIONS.** Bonds issued under authority of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ do not, and shall state that they do not, represent or constitute a debt or pledge of the faith and credit of the state, grant to the owners or holders thereof any right to have the state levy any taxes or appropriate any funds for the payment of the principal thereof or interest thereon. Such bonds are payable and shall state that they are payable solely from the rentals, revenues, and other income, charges, and moneys as are pledged for their payment in accordance with the bond proceedings.

Sec. 58. Minnesota Statutes 1976, Section 136A.177, is amended to read:

**136A.177 RIGHTS OF BONDHOLDERS.** Any holder of revenue bonds issued under the provisions of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ or any of the coupons appertaining thereto, and the trustee or trustees under any trust agreement, except to the extent the rights herein given may be restricted by any resolution authorizing the issuance of, or any such trust agreement securing, such bonds, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the state or granted hereunder or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ or by such resolution or trust agreement to be performed by the board or by any officer, employee or agent thereof, including the fixing, charging and collecting of the rates, rents, fees and charges herein authorized and required by the provisions of such resolution or trust agreement to be fixed, established and collected.

Sec. 59. Minnesota Statutes 1976, Section 136A.178, is amended to read:

**136A.178 LEGAL INVESTMENTS; AUTHORIZED SECURITIES.** Bonds issued by authority under the provisions of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them; it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising due care in selecting securities for purchase or investment; and provided further, that in no event shall assets of pension funds of public employees of the state of Minnesota or any of its agencies, board or subdivisions, whether publicly or privately administered, be invested in bonds issued under the provisions of

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~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179.~~ Such bonds are hereby constituted "authorized securities" within the meaning and for the purposes of section 50.14. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state now or may hereafter be authorized by law.

Sec. 60. Minnesota Statutes 1976, Section 136A.179, is amended to read:

**136A.179 PUBLIC PURPOSE; TAX FREE STATUS.** The exercise of the powers granted by ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~ will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare and prosperity, and for the improvement of their health and living conditions, and as providing loans by the board or its agent will constitute the performance of an essential public function, and any bonds issued under the provisions of ~~Laws 1973, Chapter 605 sections 136A.14 to 136A.179~~, their transfer and the income therefrom including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the state and by the municipalities and other political subdivisions in the state.

Sec. 61. Minnesota Statutes 1976, Section 136A.28, is amended to read:

**136A.28 DEFINITIONS.** Subdivision 1. In sections 136A.25 to 136A.42, the following words and terms shall, unless the context otherwise requires, have the following meanings ascribed to them:

(a) Subd. 2. "Authority"; means the higher education facilities authority created by sections 136A.25 to 136A.42.

(b) Subd. 3. "Project"; means a structure or structures available for use as a dormitory or other student housing facility, a dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, health care facility, and maintenance, storage, or utility facility and other structures or facilities related thereto or required or useful for the instruction of students or the conducting of research or the operation of an institution of higher education, whether proposed, under construction, or completed, including parking and other facilities or structures essential or convenient for the orderly conduct of such institution for higher education, and shall also include landscaping, site preparation, furniture, equipment and machinery and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended but shall not include such items as books, fuel, supplies or other items the costs of which are customarily deemed to result in a current operating charge, and shall not include any facility used or to be used for sectarian instruction or as a place of religious worship nor any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination.

(c) Subd. 4. "Cost", as applied to a project or any portion thereof financed under the provisions of sections 136A.25 to 136A.42 ~~embraces,~~ means all or any part of the cost of construction, acquisition, alteration, enlargement, reconstruction and remodeling of a

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project including all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for or in connection with a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to, during and for a period after completion of such construction and acquisition, provisions for reserves for principal and interest and for extensions, enlargements, additions and improvements, the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the project and such other expenses as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition and the placing of the project in operation.

(d) Subd. 5. "Bonds", or "revenue bonds"; means revenue bonds of the authority issued under the provisions of sections 136A.25 to 136A.42, including revenue refunding bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit of a participating institution for higher education or any other lawfully pledged security of a participating institution for higher education.

(e) Subd. 6. "Institution of higher education"; means a nonprofit educational institution within the state authorized to provide a program of education beyond the high school level.

(f) Subd. 7. "Participating institution of higher education"; means an institution of higher education which, pursuant to the provisions of sections 136A.25 to 136A.42, undertakes the financing and construction or acquisition of a project or undertakes the refunding or refinancing of obligations or of a mortgage or of advances as provided in sections 136A.25 to 136A.42.

Sec. 62. Minnesota Statutes, 1977 Supplement, Section 136A.55, is amended to read:

**136A.55 POST-SECONDARY EDUCATION CONSORTIUM; CREATION.**  
Subdivision 1. There is hereby created a post-secondary education consortium for southwestern and west central Minnesota which shall have its principal office at southwest state university at Marshall. The purpose of the consortium shall be to improve the efficiency and effectiveness of post-secondary education, through increased interinstitutional cooperation and planning, in the area served by southwest state university and the university of Minnesota at Morris.

Subd. 2. The consortium shall be coordinated by a southwestern and west central Minnesota post-secondary education consortium board consisting of: the provost of the university of Minnesota, or his designee; the chancellor of the state university system, or his designee; the chancellor of the community college system, or his designee; the assistant commissioner for vocational-technical education within the state department of education, or his designee; the executive director of the higher education coordinating board, or his designee; and three persons representing the public at large who shall be

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appointed by the governor.

Subd. 3. The board shall appoint an advisory committee consisting of: the provost at the university of Minnesota at Morris; the presidents of southwest state university and the community colleges at Willmar and Worthington; the directors of the vocational-technical institutes located in the area served; and seven citizen members who shall be residents of the area served by southwest state university. The citizen members shall be appointed for terms of two years, except that three of the initial appointments shall be for terms of one year. No more than one citizen member shall be appointed from a county.

Subd. 4. The board is authorized to hire staff and incur other expenses as necessary for the purposes of Laws 1977, Chapter 449 this section.

Sec. 63. Minnesota Statutes 1976, Section 137.01, Subdivision 2, is amended to read:

Subd. 2. **HOW USED.** If the purposes of the gift, grant, devise, or bequest are not otherwise limited by the donor, the University of Minnesota may use the same, or the proceeds thereof, for any of the purposes of the university and may, among other things, construct buildings and acquire lands. In case it is desired to use the same for the acquisition of land, the power of eminent domain may be exercised either in accordance with General Statutes 1894, Sections 4085 to 4091, or with chapter 117.

Sec. 64. Minnesota Statutes 1976, Section 275.09, Subdivision 4, is amended to read:

Subd. 4. **SCHOOL PURPOSES.** There shall be levied annually on each dollar of taxable property, except such as is by law otherwise taxable, as assessed and entered on the tax lists for school purposes, such amounts as are provided in chapters 120 to 132 section 275.125.

Sec. 65. Minnesota Statutes 1976, Section 375.08, is amended to read:

375.08 **BOARD TO FILL VACANCIES IN COUNTY OFFICES.** When a vacancy occurs in the office of county auditor, county treasurer, county recorder, sheriff, county attorney, county surveyor, or coroner, ~~or county superintendent~~, the county board shall fill the same by appointment. For that purpose it shall meet at the usual place of meeting, upon one day's notice from the chairman or clerk, which shall be served personally upon each member in the same manner as a district court summons is authorized to be served. The person so appointed shall give the bond and take the oath required by law, and shall hold for the remainder of the unexpired term, and until his successor qualifies; provided, that when such vacancy occurs in any of the offices hereinbefore mentioned, in which office there is a chief deputy or first assistant, then the chief deputy or first assistant is empowered and authorized to perform all of the duties and functions of the office until such time as the same is filled by appointment by the county board.

Sec. 66. Minnesota Statutes 1976, Section 375.14, is amended to read:

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**375.14 OFFICES AND SUPPLIES FURNISHED FOR COUNTY OFFICERS.**

The county board shall provide offices at the county-seat for the auditor, treasurer, county recorder, sheriff, judge of probate, clerk of the district court, ~~county superintendent of schools~~, and county highway engineer, with suitable furniture therefor, also safes and vaults for the security and preservation of the books and papers belonging thereto, and provide for the heating, lighting, and maintenance of such offices. The board shall furnish all county officers with all books, stationery, letter-heads, envelopes, postage, telephone service, office equipment, and supplies necessary to the discharge of their respective duties and make like provision for the judges of the district court so far as may be necessary to the discharge of their duties within the county or concerning matters arising therein; provided, that the board shall not be required to furnish any county officer with professional or technical books or instruments except in so far as the board may deem the same to be directly necessary to the discharge of his official duties as part of the permanent equipment of his office.

Sec. 67. Minnesota Statutes 1976, Section 382.01, is amended to read:

**382.01 OFFICERS ELECTED; TERMS.** In every county in this state there shall be elected at the general election in 1918 a county auditor, a county treasurer, sheriff, county recorder, county attorney, and coroner; ~~and county superintendent of schools.~~

The terms of office of these officers shall be four years and shall begin on the first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. These offices shall be filled by election every four years thereafter.

Sec. 68. Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 2, is amended to read:

Subd. 2. A teacher meeting the requirements of subdivision 1 may be offered a contract for termination of services and payment of an early retirement incentive by the employing school district. An offer may be accepted by the teacher by submitting a written resignation to the school board of the employing district. Applications shall be submitted prior to ~~July 1, 1977~~ March 1, 1978 in the case of a teacher retiring at the end of the ~~1977-78~~ 1976-1977 school year, prior to May 1, 1978 in the case of a teacher retiring at the end of the ~~1978-79~~ 1977-1978 school year, or, thereafter, prior to May 1 of the year immediately preceding the school year at the end of which the teacher wishes to retire.

Sec. 69. **REPEALER.** Minnesota Statutes 1976, Sections 120.02, Subdivision 11; 122.26; 123.12, Subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 12, 13 and 15; 123.13, Subdivisions 1, 3, 4, 5, 6 and 7; 123.14; 123.15, Subdivisions 4, 5, 6, 7, 8, 9 and 10; 123.16; 123.17; 123.18; 123.19; 123.20; 136.87, Subdivision 3; Laws 1965, Chapter 705, Section 1, Subdivisions 12, 13, 14, 15, 16 and 17; Laws 1969, Chapter 699, Section 2; Laws 1969, Chapters 939 and 1110; Laws 1971, Chapter 256; Laws 1977, Chapter 307, Section 27; and Laws 1977, Chapter 410, Section 13 are repealed.

Approved March 28, 1978.

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