(b) The community shall enter into an agreement under section 471.59 with the Redwood county sheriff to define and regulate the provision of law enforcement services under this section and to provide for mutual aid and cooperation. The agreement must identify and describe the trust property involved in the agreement. For purposes of entering into this agreement, the community shall be considered a "governmental unit" as that term is defined in section 471.59, subdivision 1.

Sec. 99. EFFECTIVE DATE.

This article is effective July 1, 1998, except that it does not apply to any part of the procurement process that results from a solicitation dated before July 1, 1998.

Presented to the governor April 10, 1998

Signed by the governor April 20, 1998, 11:22 a.m.

CHAPTER 387-S.F.No. 161

An act relating to state government; proposing an amendment to the Minnesota Constitution, article V, sections 1, 3, and 4; article VIII, section 2; article XI, sections 7 and 8; abolishing the office of state treasurer; repealing the powers, responsibilities, and duties of the state treasurer; requiring a study of the issue of transferring the powers, duties, and responsibilities of the state treasurer; amending Minnesota Statutes 1996, sections 9.011, subdivision 1; and 11A.03.

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

ARTICLE 1

CONSTITUTIONAL AMENDMENT; STATE TREASURER'S OFFICE ABOLISHED

Section 1. CONSTITUTIONAL AMENDMENT.

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, article V, section 1, will read:

Section 1. The executive department consists of a governor, lieutenant governor, secretary of state, auditor, treasurer and attorney general, who shall be chosen by the electors of the state. The governor and lieutenant governor shall be chosen jointly by a single vote applying to both offices in a manner prescribed by law.

Article V, section 3, will read:

Sec. 3. The governor shall communicate by message to each session of the legislature information touching the state and country. He is commander—in—chief of the military and naval forces and may call them out to execute the laws, suppress insurrection and repel invasion. He may require the opinion in writing of the principal officer in each of the executive departments upon any subject relating to his duties. With the advice and con-

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sent of the senate he may appoint notaries public and other officers provided by law. He may appoint commissioners to take the acknowledgment of deeds or other instruments in writing to be used in the state. He shall take care that the laws be faithfully executed. He shall fill any vacancy that may occur in the offices of secretary of state, treasurer, auditor, attorney general and the other state and district offices hereafter created by law until the end of the term for which the person who had vacated the office was elected or the first Monday in January following the next general election, whichever is sooner, and until a successor is chosen and qualified.

Article V, section 4, will read:

Sec. 4. The term of office of the secretary of state, treasurer, attorney general and state auditor is four years and until a successor is chosen and qualified. The duties and salaries of the executive officers shall be prescribed by law.

Article VIII, section 2, will read:

Sec. 2. The governor, secretary of state, treasurer, auditor, attorney general and the judges of the supreme court, court of appeals and district courts may be impeached for corrupt conduct in office or for crimes and misdemeanors; but judgment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust or profit in this state. The party convicted shall also be subject to indictment. trial, judgment and punishment according to law.

Article XI, section 7, will read:

Sec. 7. Public debt other than certificates of indebtedness authorized in section 6 shall be evidenced by the issuance of bonds of the state. All bonds issued under the provisions of this section shall mature not more than 20 years from their respective dates of issue and each law authorizing the issuance of bonds shall distinctly specify the purposes thereof and the maximum amount of the proceeds authorized to be expended for each purpose. The state treasurer shall maintain A separate and special state bond fund shall be maintained on his the official books and records. When the full faith and credit of the state has been pledged for the payment of bonds, the state auditor shall levy each year on all taxable property within the state a tax sufficient with the balance then on hand in the fund to pay all principal and interest on bonds issued under this section due and to become due within the ensuing year and to and including July 1 in the second ensuing year. The legislature by law may appropriate funds from any source to the state bond fund. The amount of money actually received and on hand pursuant to appropriations prior to the levy of the tax in any year shall be used to reduce the amount of tax otherwise required to be levied.

Article XI, section 8, will read:

Sec. 8. The permanent school fund of the state consists of (a) the proceeds of lands granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, (c) all cash and investments credited to the permanent school fund and to the swamp land fund, and (d) all cash and investments credited to the internal improvement land fund and the lands therein. No portion of these lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of the lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. Within limitations prescribed by law, the fund shall be invested to secure the maximum

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return consistent with the maintenance of the perpetuity of the fund. The principal of the permanent school fund shall be perpetual and inviolate forever. This does not prevent the sale of investments at less than the cost to the fund; however, all losses not offset by gains shall be repaid to the fund from the interest and dividends earned thereafter. The net interest and dividends arising from the fund shall be distributed to the different school districts of the state in a manner prescribed by law.

A board of investment consisting of the governor, the state auditor, the state treasurer, the secretary of state, and the attorney general is hereby constituted for the purpose of administering and directing the investment of all state funds. The board shall not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

Sec. 2. TRANSITION.

If the proposed amendment is adopted, the office of treasurer will be abolished on the first Monday in January 2003.

Sec. 3. SCHEDULE AND QUESTION.

The proposed amendment shall be submitted at the 1998 general election. If approved, the office of treasurer will be abolished on the first Monday in January 2003. The question proposed shall be:

"Shall the Minnesota Constitution be amended to abolish the office of state treasurer?

ARTICLE 2

TRANSFER OF POWERS AND DUTIES

Section 1. STUDY; TRANSFER OF POWERS AND DUTIES.

The state treasurer, in consultation with the secretary of state and the commissioner of finance, shall study the issue of transferring the powers, duties, and responsibilities of the state treasurer and shall recommend to the legislature an appropriate agency or constitutional office to receive them. The treasurer may also recommend any conditions that, in the treasurer's opinion, should govern the transfer. The treasurer's recommendation must be made by January 15, 2000.

Sec. 2. Minnesota Statutes 1996, section 9.011, subdivision 1, is amended to read:

Subdivision 1. **MEMBERS.** The executive council consists of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, and attorney general. The governor is chair.

Sec. 3. Minnesota Statutes 1996, section 11A.03, is amended to read:

11A.03 STATE BOARD; MEMBERSHIP; ORGANIZATION.

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Pursuant to article XI, section 8, of the Constitution of the state of Minnesota, the state board shall be composed of the governor, state auditor, state treasurer, secretary of state and attorney general. The governor shall serve as ex officio chair of the state board.

Sec. 4. EFFECTIVE DATE.

Sections 1 to 3 are effective on the first Monday in January 2003 if the amendment proposed under article 1 has been adopted.

Presented to the governor April 9, 1998

Signed by the governor April 9, 1998, 6:30 p.m.

CHAPTER 388-S.F.No. 2407

An act relating to drivers' licenses; establishing youth-oriented driver improvement clinics; establishing a graduated licensing system with provisional license phase; making technical changes; appropriating money; amending Minnesota Statutes 1996, sections 120.73, subdivision 1; 169.89, subdivision 5; 169.971, subdivision 1, and by adding a subdivision; 169.972; 169.973, subdivision 1; 171.01, subdivision 14; 171.04, subdivision 1; 171.05, subdivision 2, and by adding subdivisions; 171.06, subdivision 1; 171.07, by adding a subdivision; 171.10, subdivision 1; 171.12, subdivision 3; 171.16, subdivision 5; 171.17, subdivisions 2 and 3; 171.172; 171.173; 171.174; 171.20, subdivision 3; 171.27; and 171.39; Minnesota Statutes 1997 Supplement, sections 171.041; 171.06, subdivisions 2 and 4; and 171.171; proposing coding for new law in Minnesota Statutes, chapter 171.

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

Section 1. Minnesota Statutes 1996, section 120.73, subdivision 1, is amended to read:

Subdivision 1. A school board is authorized to require payment of fees in the following areas:

(a) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) admission fees or charges for extra curricular activities, where attendance is optional;

(c) a security deposit for the return of materials, supplies, or equipment;

(d) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) items of personal use or products which a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(f) fees specifically permitted by any other statute, including but not limited to section 171.04, subdivision 1, elause (1) 171.05, subdivision 2; provided (1) driver education fees do not exceed the actual cost to the school and school district of providing driver

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