

from the processing plant or place of such enterprise, any school bus owned by the school district, during the processing or canning season or operation of the enterprise. The use and operation of such school bus by such processor or person shall not interfere with the use and operation of such bus by the school district for the transportation of school children to and from school.

Sec. 2. **Motor vehicle tax waived.** Any such lessee so leasing or renting school buses may use and operate the same as provided in this act without the payment of a motor vehicle tax thereon as provided for in Chapter 168 of Minnesota Statutes 1941.

Sec. 3. **Lessee liable in tort.** Any such lessee shall be liable for any and all claims for injuries and damages arising out of the use and operation of any bus so leased or rented; and the leasing or renting of any such bus shall be conditioned upon said lessee or renter procuring, at his own expense, insurance protecting said school board and said school district against any and all claims for injuries and damages arising out of the use and operation of said bus.

Approved April 17, 1945.

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#### CHAPTER 373—S. F. No. 1163

*An act relating to the transportation of pupils; amending Minnesota Statutes 1941, Section 126.065 and repealing Minnesota Statutes 1941, Sections 125.15, 125.16, 125.17 and 128.07, Subdivision 2, and Laws 1943, Chapter 118.*

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

Section 1. Minnesota Statutes 1941, Section 125.065, is amended to read as follows:

125.065. **Purchase of buses.** *Subdivision 1. Instalment purchase.* School boards which are authorized to purchase school buses may purchase the same on the instalment plan, the instalments to be all paid within a period of not to exceed three years from the date of purchase, and the deferred payments to bear a rate of interest of not to exceed four per cent per annum.

*Subd. 2. Emergency exit. No school board shall enter into any agreement for the transportation of pupils in any motor vehicle, or operate any school bus, with a seating capacity for more than seven passengers, unless each vehicle used for such purpose have an emergency exit in the rear portion thereof or on the side opposite the regular exit, the exit to be in condition for use at all times. All such vehicles used in the transportation of pupils shall conform to the rules and regulations of the state board of education.*

*Subd. 3. Persons accommodated. School boards may provide transportation service for resident and non-resident pupils and use such equipment for the transportation of pupils for curricular, extra-curricular, and recreational activities. Any school district transporting pupils of the district may transport pupils residing outside of such district but attending school therein upon school pupils presenting themselves within the district on one of the regular routes traveled in the transportation of the pupils of the district.*

*Subd. 4. Permission of state board. School districts may use such transportation equipment for the transportation of nonresident pupils upon permission from the state board of education; but no special state aid shall be paid for any non-resident pupil transported or boarded illegally or contrary to the standards established by the state board of education. The state department of education shall formulate such rules and regulations as may be necessary to the end that there shall be no competition between school districts for the enrollment of students.*

*Subd. 5. Driver to give bond. Each bus driver employed by a school district shall give a bond, conditioned upon the faithful discharge of his duties, to be approved by the school board of such district. Each driver of a school bus shall possess the qualifications required by the rules of the state board of education and comply with the rules and regulations adopted by the state board of education and by the local school board and make such reports to the local superintendent or school board as are required by such rules.*

*Subd. 6. Insurance. The school board of any district of this state may provide for the protection of school children in the district being transported for all school purposes or activities in district owned, operated, leased, or controlled motor vehicles, against injuries or damages arising out of the operation thereof. If the school board deems it advisable, insurance may be procured and paid for from any funds available. Any insurance contract covering such risk shall contain,*

as a condition precedent, a clause or provision expressly waiving the defense, by the insurer, that the school district is engaged in a governmental function. The payment of any insurance premiums by such school district shall not hereby make the school district liable for any injuries or damages incurred by such transportation.

*Subd. 7. Snow removal.* The school board of any school district may enter into contracts with the state, or any political subdivision thereof, or any corporation, partnership, association, or individual, for the removal of snow from roads used for regular bus routes transporting pupils to and from school either within or without the district.

**Sec. 2. Repeal.** Minnesota Statutes 1941, Sections 125.15, 125.16, and 125.17, and Section 128.07, Subdivision 2, and Laws 1943, Chapter 118, are hereby repealed.

Approved April 17, 1945.

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#### CHAPTER 374—S. F. No. 1164

*An act relating to vocational aid and rules governing disbursement; amending Minnesota Statutes 1941, Section 128.31, as amended by Laws 1943, Chapter 572.*

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

Minnesota Statutes 1941, Section 128.31 is amended to read:

**128.31. Vocational aid; rules governing disbursement.** Whenever any school district shall have established a vocational school, department, or classes in accordance with the rules and regulations established by the state board for vocational education and the plan for vocational education adopted by that board and approved by the United States office of education or other federal agency to which its functions are assigned, the state board for vocational education shall reimburse such school district or state tax supported institution for its expenditures for salaries and necessary travel of vocational teachers or other reimbursable expenditures from federal funds and may supplement such federal funds with such state aid as it may deem desirable under such rules as it may adopt, provided, however, that in the event of such funds not being sufficient to make such reimbursement in full, the state board