

entitled to attend such school outside his resident district under standards established by the state board of education.

[128.088] Sec. 11. **Allocation of aid.** Laws 1947, Chapter 633, Section 21, Subdivision 2, is amended to read:

Subd. 2. **Tuition paid by county board.** *The county auditor of the pupil's residence shall thereupon cause to be paid out of the county school tax fund hereby created to each such school district which furnished such instruction the tuition so charged for such instruction.*

Sec. 12. Minnesota Statutes 1945, Section 128.08, Subdivision 2, is amended to read as follows:

Subd. 2. **Payment to state schools of agriculture.** *For the tuition of nonresident high school pupils attending the state schools of agriculture the state shall pay to the University of Minnesota, to be applied upon the tuition and laboratory and equipment fees of such pupils for the six months period of the school year, but in no case to exceed \$7.00 per pupil per school month, and in addition thereto, aid for such pupils transported or boarded at the rate of \$4.50 per pupil per month.*

The appropriation for the above tuition and transportation shall be paid each year of the biennium out of the balance of the income tax school fund to the University of Minnesota, which in turn shall distribute these funds to each of the state schools of agriculture in proportion to the number of eligible pupils provided for above.

Approved April 25, 1949.

CHAPTER 733—H. F. No. 763

[Coded Sections 462.72 to 462.82]

An act relating to the furnishing of emergency housing, authorizing municipalities to furnish emergency housing, establishing a veterans' occupancy preference, and declaring and defining an emergency.

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

[462.72] **Section 1. Citation.** This act may be cited as the "Emergency Housing Act."

[462.73] **Sec. 2. Definitions.** Subdivision 1. Unless the context clearly indicates otherwise, the following terms, for the purposes of this act, shall have the meanings, respectively, ascribed to them in this section.

Subd. 2. "Municipality" means a city, village, or borough however organized.

Subd. 3. "Governing body" means the council, board of trustees or other body charged with governing any municipality or other state public body.

Subd. 4. "Commission" means the state housing commission provided for in Laws 1947, Chapter 487, and any amendments thereto, or any officer or agency of the state authorized to perform the functions of the state housing commission.

Subd. 5. The term "emergency housing" as used in this act shall mean new housing construction to be provided for the persons and purposes for which a municipality shall have the power under any provisions of law or charter to provide housing.

Subd. 6. "Veterans" means persons who have served in the active military or naval forces of the United States at any time on or after September 16, 1940, and prior to July 6, 1947, and who shall have been discharged or released therefrom under conditions other than dishonorable or the widows of such persons.

Subd. 7. "Servicemen" means persons in the active military or naval forces of the United States who served therein at any time on or after September 16, 1940, and prior to July 26, 1947.

[462.74] **Sec. 3. Municipality; powers of.** Any municipality may exercise any of its powers to provide emergency housing in the manner prescribed and subject to the limitations imposed by this act. In providing such housing, in

addition to its other powers, any municipality may :

(1) Rent or sell such housing to veterans and servicemen as hereinafter provided ;

(2) Utilize such funds as have been or may hereafter be made available to it for emergency housing or veterans' housing by the federal government, the municipality, or by private organizations ; and

(3) Accept and receive financial aid from the Federal Government in providing such emergency housing.

[462.75] Sec. 4. **Development and operation during emergency.** The authority to initiate, develop and operate emergency housing under this section may be exercised by any municipality only so long as an acute housing shortage exists therein ; provided, however, that no housing shall be constructed or otherwise developed under the authority of this act after the date of adjournment of the 1951 regular session of the legislature.

[462.76] Sec. 5. **Procedure to establish.** Subdivision 1. No municipality shall provide emergency housing or exercise any of the powers conferred by this act unless the governing body shall, by resolution, determine that (1) the number of safe and sanitary dwellings within the municipality available for veterans or servicemen and their families or other citizens is not adequate to meet the needs of such families in need of housing and (2) the number of new dwellings within the municipality then in course of construction or for which applications for building permits have been filed within the municipality including any low rent public housing being provided pursuant to Laws 1947, Chapter 487, is not adequate to meet the needs of such families and (3) the shortage in dwelling accommodations, unless remedied, threatens the health, safety and morals of the public and (4) the shortage in dwelling accommodations cannot be otherwise remedied within any reasonable period of time and (5) the number of accommodations which the municipality will provide under the said resolution, whether the same will be temporary or permanent, the characteristics of the project, estimated cost, methods of financing, estimated rent levels and incomes of families to be served thereby and a detailed estimate of the expenses and revenue thereof ; and (6) unless the provision of emergency housing has been approved by the voters of the municipality as provided in Subdivision 2.

Subd. 2. No emergency housing shall be constructed or acquired nor shall any bonds be issued for such construction or acquisition by any municipality until the governing body shall have submitted to the qualified voters of the municipality at a special election, or at the next general election, the question in substantially the following form:

Shall the governing body of (naming the municipality) construct or acquire and operate emergency housing in and for the municipality to the extent of _____(give number) family units and issue its bonds for \$_____ to pay the cost thereof?

Yes

No

If a majority of the qualified voters of the municipality voting upon the question shall vote in the affirmative, the municipality shall thereupon be empowered to initiate, construct, and develop emergency housing for the particular number of units to which the referendum relates. Special elections held pursuant to this subdivision shall be held and conducted in the same manner and upon the same notice, and the returns thereon made in the same form and manner, as other special elections in that municipality. In the case of a city operating under a home rule charter, the provisions of law relating to the mechanics of the conduct of elections, time of holding, notice, and returns made applicable in the case of the submission of proposed amendments to the home rule charter shall govern.

[462.77] Sec. 6. **Rentals; to whom; false application; penalty.** A municipality may rent or lease dwelling units in emergency housing at rents within the reach of families of moderate income and no family shall be accepted as a tenant in a housing project hereunder who was not actually without adequate housing at the time of admission or who was not about to be without housing as a result of a court order of eviction, due to causes other than the fault of the tenant, whose gross income exceeds five times the annual rent of the dwelling unit to be furnished such family, except that, in the case of families with three or more minor dependents, such ratio shall not exceed six to one. Any person who makes a false statement concerning the gross income of the family for which application for housing accommodations is made may

be fined not more than five hundred dollars or sentenced to six months in jail, or both.

[462.78] **Sec. 7. Veterans Preference.** No dwelling unit in an emergency housing project shall be offered initially for rent to any person other than a veteran as herein defined until such dwelling unit has been first advertised for rent to such veterans in a newspaper circulated in the municipality in which such housing project is located, and has been set aside for rental to veterans for at least ten days following such advertisement. If there is a vacancy in any dwelling unit, any such veteran shall have the same rental priority.

[462.79] **Sec. 8. Termination of emergency.** After the termination of the emergency as determined by the governing body of a municipality to exist pursuant to Section 6, Subdivision 1 of this act or whenever in any municipality that has provided emergency housing the availability of adequate rental housing accommodations and other relevant factors are such, as determined by the governing body, as to make the continuation of emergency housing unnecessary for the purpose of eliminating speculative, unwarranted and abnormal increases in rents and of preventing profiteering and speculative and other disruptive practices relating from abnormal market conditions caused by congestion, and no later than one year after the termination of such emergency, unless the commission shall approve a postponement to a later time, emergency rental housing shall be offered for sale at the fair market value thereof and disposed of as rapidly as is consistent with sound business judgment. Every offer of sale shall be at a minimum price fixed by the governing body after a public hearing before the governing body, after ten days published notice. A municipality may sell housing to a veteran or veterans prior to the termination of the emergency. A municipality may grant to a veteran or veterans leasing housing an option to purchase said housing at the time when it is required to be offered for sale, or at an earlier date at the actual cost thereof, and may agree that the rentals paid by him or them, to the extent that they exceed his or their proportionate share of the cost of operating the development in which the residence is located, including insurance, interest on money borrowed, repairs and any payments in lieu of taxes, but not including an allowance for depreciation, or an amount equivalent to taxes, if such property were not tax exempt, from the date of such agreement until the option is exercised, shall be deemed payments on account of the purchase price.

Any sale under this act shall be by public auction and shall be sold to the highest bidder.

[462.80] **Sec. 9. Waiver of building code.** Any municipality is authorized to waive any building code requirements in connection with emergency housing, with the approval of the city building inspector, if there be one.

[462.81] **Sec. 10. Non-applicable to Laws 1947, Chapter 487.** Nothing contained in this act shall be applicable to Laws 1947, Chapter 487, or any amendments thereto.

[462.82] **Sec. 11. Report to legislature.** The governing body of any municipality which has undertaken or operates emergency housing as herein defined on or after September 16, 1940, and the effective date of this act, shall prepare for the consideration of the next regular session of the Minnesota State Legislature a report concerning the operation of such emergency housing together with a proposed plan for the orderly disposition of such emergency housing at the earliest practical time.

Approved April 25, 1949.

CHAPTER 734—H. F. No. 1093

An act relating to taxes on and measured by net income; amending Minnesota Statutes 1945, Sections 290.01, Subdivisions 21 and 22, 290.06 Subdivision 2, 290.072, Subdivision 2, 290.09, 290.17, 290.18, 290.28, 290.42, 290.45, 290.49, Subdivision 7, 290.50, Subdivision 4; and amending Minnesota Statutes 1945, Sections 290.01, 290.08, 290.21, as amended.

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

Section 1. Minnesota Statutes 1945, Section 290.01, Subdivision 21, is amended to read:

290.01. **Definitions.** Subd. 21. **Dividends.** (1) The term "dividends" means any distribution made by a corporation to its shareholders, whether in money or in other property, (a) out of its earnings or profits accumulated after December 31, 1932, or (b) out of the earnings or profits of the tax-