

State Departments and Agencies

CHAPTER 15

DEPARTMENTS OF STATE IN GENERAL

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15.01 DEPARTMENTS AND AGENCIES OF THE STATE. The following departments and agencies of the state government are hereby created and established, to be designated and known, respectively, as follows: the executive council; the department of administration; the department of agriculture, dairy, and food; the department of civil service; the department of commerce; the department of conservation; the department of education; the department of health; the department of highways; the department of labor and industry; the department of public examiner; and the department of taxation. All of these departments and all officials and agencies of the state government shall be subject to the provisions and limitations of Laws 1939, Chapter 431.

[1925 c 426 art 1 s 1; 1939 c 431 art 1 s 1; 1939 c 441 s 1] (53-1, 53-1a)

15.02 PRESENT POWERS TRANSFERRED. Except as otherwise herein provided, all the powers, duties, and functions conferred by law upon and required to be performed by the several state departments, bureaus, divisions, and other administrative agencies mentioned in Laws 1939, Chapter 431, at the time of its passage shall hereafter be exercised, performed, and administered by the commissioners of the several departments and the boards, commissions, and agencies therein specified.

[1939 c. 431 art. 8 s. 4] (53-1e)

15.03 EXISTING POWERS CONTINUED. All now existing powers, duties, and functions heretofore exercised by any department, division, bureau, or other agency abolished by Laws 1939, Chapter 431, or by the chief of any such division, bureau, or agency, shall be exercised by the head of the department or by the agency to which the same are herein assigned.

[1939 c. 431 art. 8 s. 5] (53-1f)

15.04 POWERS CONTINUED. Any department or other administrative agency to which the functions, powers, and duties of a previously existing department or other agency are by Laws 1939, Chapter 431, assigned and transferred shall be deemed and held to constitute a continuation of the former department or agency as to matters within the jurisdiction of the former department or agency, and not a new authority, for the purpose of succession to all rights, powers, duties, and obligations of the former department or agency as constituted at the time of such assignment or transfer, except as otherwise provided by Laws 1939, Chapter 431, with the same force and effect as if such functions, powers, and duties had not been assigned or transferred.

[1939 c. 431 art. 8 s. 8] (53-1i)

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15.041 DEFINITIONS. Subdivision 1. Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 15.041 to 15.044, shall be given the meaning subjoined to them.

Subd. 2. "Administrative agency" or "the agency" means and includes any officer, board, commission, bureau, division, department, or tribunal, other than a court, having a statewide jurisdiction and authority to make any order, finding, determination, award, or assessment.

Subd. 3. "Person" includes individuals, associations, partnerships, and corporations.

Subd. 4. "Rules and Regulations" means and includes rules, regulations, and amendments thereto, of general application issued by any administrative agency interpreting, regulating the application of, or regulating procedure under the statutes which the administrative agency is charged with administering, but shall not apply to rules and regulations adopted by an administrative agency relating solely to the internal operation of the agency nor to rules and regulations adopted relating to the management, discipline, or release of any person committed to any state institution.

[1945 c. 452 s. 1]

15.042 RULES AND REGULATIONS. Subdivision 1. For the purpose of carrying out the duties and powers imposed upon and granted to administrative agencies, each agency may promulgate reasonable rules and regulations and may amend, modify, or annul the same, and may prescribe methods and procedure in connection therewith. They shall prescribe reasonable notice, a fair hearing, findings of fact based upon substantial evidence, and shall not exceed the powers vested by statute.

Subd. 2. After complying with subdivision 4 and not later than 90 days after the date on which Laws 1945, Chapter 452, became effective, each administrative agency shall prepare and file with the attorney general, its rules and regulations in effect at the time of the passage of Laws 1945, Chapter 452, together with proposed new rules and regulations. The attorney general shall approve or disapprove on or before January 1, 1946, the rules and regulations so filed within said 90 days. The failure on the part of any official whose duty it is to file with the attorney general the rules and regulations within 90 days as required by this subdivision to so file such rules and regulations shall constitute ground for his removal from office.

Subd. 3. Every rule or regulation filed in the office of the secretary of state as provided in subdivision 4 shall have the force and effect of law. All rules and regulations in effect on the date of the passage of Laws 1945, Chapter 452, shall continue in effect until new rules and regulations are adopted pursuant to the provisions hereof, but not later than January 1, 1946.

Subd. 4. No rules or regulations shall be promulgated by any administrative agency subsequent to the effective date of Laws 1945, Chapter 452, unless said agency shall have held a public hearing thereon, following the giving, at least 30 days prior to said hearing, of notice of the intention to hold said hearing, by United States mail, to accredited representatives of trade associations or other interested groups who have registered their names with the secretary of state for that purpose. Every rule or regulation hereafter proposed by an administrative agency, before being adopted, shall be submitted, as to form and legality, with reasons therefor, to the attorney general, who, within 20 days, except as provided in subdivision 2, shall either approve or disapprove the same. If he approves the same, he shall file the rule or regulation in the office of the secretary of state. If the attorney general disapproves such rule, he shall state in writing his reasons therefor, and such rule shall not be filed in the office of the secretary of state. If he fails to approve or disapprove any rule or regulation within such 20 day period, the agency may file same in the office of the secretary of state. No rule or regulation hereafter made by an agency shall become effective until 30 days after said rule or regulation has been filed in the office of the secretary of state. The secretary of state shall endorse on each rule or regulation the time and date of filing and maintain an index of such rule and regulation for public inspection.

Subd. 5. No fee shall be charged for any filing required by this section.

[1945 c. 452 s. 2]

15.043 PETITION FOR RECONSIDERATION. Any person substantially interested or affected in his rights of person or property by a rule or regulation promulgated by an administrative agency may petition the agency for a reconsideration of such rule or regulation or for an amendment, modification, or waiver thereof. Such petition shall set forth a clear, concise description of the facts, and the grounds, upon which such reconsideration, amendment, modification, or waiver is sought. The agency shall grant the petitioner a public hearing in the manner prescribed in Section 15.042, Subdivision 4.

[1945 c. 452 s. 3]

15.044 CERTAIN BOARDS EXCEPTED. Sections 15.041 to 15.044 shall not apply to the professional and regulatory examining and licensing boards enumerated in Minnesota Statutes 1941, Chapters 146 to 156, both inclusive, and Laws 1945, Chapter 242.

[1945 c. 452 s. 4]

15.045 RULES OF ADMINISTRATIVE AGENCIES. Each administrative agency shall file one copy of each of its rules and regulations in the office of the clerk of the district court in each county for public inspection, and shall mail one copy to the secretary of the Minnesota State Bar Association, to the revisor of statutes, and to each district judge. It shall also prepare sufficient additional copies for distribution to interested parties requesting the same.

[1945 c. 590 s. 1]

15.046 PUBLICATION BOARD. There is hereby created a publication board which shall consist of the commissioner of administration, the secretary of state, and the attorney general. Each member may designate one of his assistants to act in his stead as a member of the board. Such designation shall be filed in the office of the secretary of state. The board shall select a secretary from its members. The board shall meet, from time to time, upon the call of the commissioner of administration or his duly designated assistant.

[1945 c. 590 s. 2]

15.047 REGULATIONS. The publication board shall prescribe regulations for carrying out the provisions of sections 15.045 to 15.049. Among other things, such regulations shall provide for:

(1) Periodic publication of all rules and regulations filed with the secretary of state in accordance with sections 15.045 to 15.049;

(2) The selection, compilation, and publication of such orders of administrative agencies as it may deem necessary;

(3) A uniform manner and form for the preparation, printing, and indexing of regulations and compilations to the end that all regulations and compilations be published uniformly at the earliest practicable date;

(4) Prorating the cost of these publications to the various state agencies.

[1945 c. 590 s. 3]

15.048 EFFECT OF PUBLICATION OF RULES OR ORDERS. The filing or publication of a rule, regulation, or order raises a rebuttable presumption that:

(1) The rule or regulation was duly adopted, issued, or promulgated;

(2) The rule or regulation was duly filed with the secretary of state and available for public inspection at the day and hour endorsed thereon;

(3) The copy of the rule or regulation is a true copy of the original rule or regulation; and

(4) All requirements of sections 15.045 to 15.049 and regulations prescribed thereunder relative to such regulations have been complied with.

[1945 c. 590 s. 4]

15.049 JUDICIAL NOTICE TAKEN. Judicial notice of any rule, regulation, or order duly filed or published under the provisions of sections 15.045 to 15.049 shall be taken.

[1945 c. 590 s. 5]

15.05 [Renumbered 16.011]

15.055 PUBLIC EMPLOYEES NOT TO PURCHASE MERCHANDISE FROM STATE AGENCIES. No department or agency of the state, or any political subdivision thereof, or member or officer, acting in such capacity, of any town or county board or council of any village or city, or any purchasing agent or purchasing agency of the state, or any political subdivision thereof, shall sell or procure for sale or have in its possession or under its control for sale to any employee of the state, or of any political subdivision thereof, any article, material,

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product, or merchandise of whatsoever nature, except an article, material, product, or merchandise the sale or distribution of which is, or may hereafter be, specifically authorized by law or ordinance. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor. Each act prohibited by this section shall constitute a separate violation and offense thereunder.

[1941 c. 58 ss. 1, 2]

15.06 POWERS OF DEPARTMENT HEADS. Except as otherwise expressly provided by law, the commissioner or head of any state department or agency shall have the following powers:

(1) To designate a division director or other subordinate as his deputy, to serve as such at his pleasure, with full authority to act for him, but subject to his control; and in case of a vacancy in the office of such commissioner or head, such deputy shall discharge the necessary duties of the office until the vacancy be filled;

(2) To delegate to any of his subordinate officers or employees the exercise of such of his powers or duties as he may deem advisable, subject to his control; provided, that every such delegation shall be made by written order, filed with the secretary of state;

(3) To appoint all subordinate officers and employees in his department or agency and to prescribe their duties and fix their compensation; provided, that all departments and agencies hereunder shall be subject to the provisions of any civil service law now or hereafter enacted, so far as applicable;

(4) With the approval of the commissioner of administration, to establish within his department or agency such bureaus or subdivisions as he may deem advisable in the interest of economy and efficiency; and

(5) To prescribe rules and regulations, not inconsistent with law, for the conduct of his department or agency and other matters within the scope of the functions thereof, including the custody and preservation of books, records, papers, documents, and other property, and the certification of copies of papers and documents; provided, that every rule or regulation affecting any person or agency, other than a member of the department or agency concerned, shall be filed with the secretary of state.

[1939 c. 431 art. 8 s. 6] (53-1g)

15.07 INFORMATION FURNISHED. Whenever in Laws 1939, Chapter 431, power is vested in a department or an official to inspect, examine, secure data or information, or to procure assistance from another department, a duty is hereby imposed upon the department upon which the demand is made to make such power effective, and to furnish such data or information or the opportunity for inspection and examination.

[1939 c. 431 art. 8 s. 2] (53-1c)

15.08 AUDITOR, COMMISSIONER OF ADMINISTRATION; ACCESS TO RECORDS. The state auditor and the commissioner of administration and their designated agents shall have free access to the records of all state departments and agencies, and may issue subpoenas for and compel the attendance of witnesses and the giving of testimony and the production of books, records, accounts, documents, and papers; and may administer oaths to witnesses or take their affirmation. If any person shall fail or refuse to appear or testify regarding that upon which he may be lawfully interrogated, or to produce any books, records, accounts, documents or papers material in the matter under consideration, after having been lawfully required by order or subpoena, any judge of the district court in any county of the state where the order or subpoena was made returnable, on application of the state auditor or commissioner of administration, as the case may be, shall compel obedience or punish disobedience as for contempt, as in the case of disobedience of a similar order or subpoena issued by such court.

[1939 c. 431 art. 8 s. 3] (53-1d)

15.09 COURT PROCEEDINGS CONTINUED. Any proceeding, court action, prosecution, or other business or matter undertaken or commenced prior to the passage of Laws 1939, Chapter 431, by a department or other agency, the functions, powers, and duties whereof are thereby assigned and transferred to another department or agency, and still pending at the time of its passage, may be conducted and completed by the new department or agency in the same manner and

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under the same terms and conditions and with the same effect as though they were undertaken or commenced and were conducted or completed by the former department or agency prior to the transfer.

[1939 c. 431 art. 8 s. 9] (53-1j)

15.10 RECORDS DELIVERED TO DEPARTMENT HEADS. The head of a department or other agency whose functions, powers, and duties are by Laws 1939, Chapter 431, assigned and transferred to another department or agency, shall transfer and deliver to such other department or agency all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control, and shall also transfer thereto any or all employees engaged in the exercise of such functions, powers, or duties. The head of such other department or agency to which such assignment or transfer is made is hereby authorized to take possession of the property, and shall take charge of the employees and shall employ them in the exercise of their respective functions, powers, and duties transferred as aforesaid, without reduction of compensation; subject to change or termination of employment or compensation as may be otherwise provided by law.

[1939 c. 431 art. 8 s. 10] (53-1k)

15.11 UNEXPENDED FUNDS REAPPROPRIATED. All unexpended funds appropriated to any department or agency for the purpose of any of its functions, powers, or duties which are transferred by Laws 1939, Chapter 431, to another department or agency are hereby transferred to such other department or agency.

[1939 c. 431 art. 8 s. 16] (53-1q)

15.12 MEANING OF WORDS AND PHRASES. When in any other general law or resolution of the legislature, heretofore or hereafter adopted, or in any document, record, or proceeding authorized by the same, any word or phrase is used in reference to or descriptive of any department, agency, or officer, or employee thereof, or their respective activities, whose powers, duties, or activities are by Laws 1939, Chapter 431, assigned or transferred, such word, phrase, or reference shall hereafter, unless the context of provisions thereof otherwise require, be deemed to refer to, include, and describe such department, agency, officer, or employee as by Laws 1939, Chapter 431, is charged with carrying out the powers, duties, and activities, as the context and provisions thereof may require.

[1939 c. 431 art. 8 s. 7] (53-1h)

15.13 SALARIES; BONDS. The salaries of the commissioners, directors, and all employees shall be chargeable against the appropriations of their respective departments. Each commissioner shall devote his entire time to the duties of his office and shall not participate in any political campaign or be a candidate for any public office. Except as otherwise provided, each commissioner shall give a corporate surety bond of \$10,000 to the state for the faithful discharge of his official duties. The cost of all bonds of officers and employees hereunder shall be charged to the appropriations for their respective departments or agencies.

[1939 c. 431 art. 8 s. 1] (53-1b)

15.14 APPLICATION. Except as hereinbefore otherwise provided, the provisions and limitations of Laws 1939, Chapter 431, shall be applicable to and shall govern each and every department, bureau, commission, board, agency, and institution of the state government, including state teachers' colleges, state hospitals, and other state institutions, wherever located, and all elected or appointed officers, officials, and employees of the state government. No provision of any subsequent act shall be construed as inconsistent with the provisions of Laws 1939, Chapter 431, or shall operate to limit or abrogate the effect of any provisions thereof or to remove any person, officer, or agency from the operation thereof unless and except only so far as it may be expressly provided in such subsequent act that the provisions of Laws 1939, Chapter 431, shall not be applicable, or shall be superseded, modified, amended, or repealed.

[1939 c. 431 art. 8 s. 15] (53-1p)

15.15 EXEMPTIONS FROM APPLICATION. The provisions and limitations of Laws 1939, Chapter 431, shall not be applicable to the regents of the university, nor to any persons, institutions, or employees under their jurisdiction, nor to the professional and regulatory examining and licensing boards enumerated in Mason's Minnesota Statutes of 1927, Chapter 35, the 1938 Supplement to Mason's Minnesota Statutes of 1927, Chapter 35, Laws 1943, Chapter 474, and Laws 1951, Chapter 672;

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provided, their books and accounts shall be subject to examination by the public examiner at any time, as in the case of other state agencies.

[1939 c 431 art 8 s 13; 1949 c 48 s 1; 1953 c 129 s 1] (53-1n)

15.16 TRANSFER OF LANDS BETWEEN DEPARTMENTS. Subdivision 1. **Agreement.** In order to facilitate the transfer of the control of state owned lands between state departments of government and avoid the necessity of condemning state lands by a department of government of the state, any department of the state government of the State of Minnesota may acquire the control of state lands for public purposes from the department of state government having such lands under its control and supervision, upon such terms and conditions as may be mutually agreed upon by the heads of the interested state departments.

Subd. 2. **Executive council to determine terms.** In the event the heads of such departments are unable to agree as to the terms and conditions of a transfer of control of these state lands the executive council, upon application of a state department having the power to acquire lands for public purposes, shall determine the terms and conditions and may order the transfer of the control of state lands to the department so requesting.

Subd. 3. **Auditor and treasurer to transfer funds.** The state auditor and the state treasurer are hereby authorized and directed to transfer funds between state departments to effect the terms and conditions to transfer the control of real estate as hereinbefore provided.

Subd. 4. **Attorney general to prescribe form of transfer.** The transfer of control of real estate as hereinbefore provided shall be made on such transfer documents as the attorney general shall prescribe and all such transfer documents shall be permanently filed in the office of the state auditor.

[1941 c 387 s 1-4]

15.17 OFFICIAL RECORDS. Subdivision 1. **Must be kept.** All officers and agencies of the state, and all officers and agencies of the counties, cities, villages, and towns, shall make and keep all records necessary to a full and accurate knowledge of their official activities. All such public records shall be made on paper of durable quality and with the use of ink, carbon papers, and typewriter ribbons of such quality as to insure permanent records. Every public officer and agency is empowered to record or copy public records by any photographic device, approved by the Minnesota historical society, which clearly and accurately records or copies them.

Subd. 2. **Responsibility for records.** The chief administrative officer of each public agency shall be responsible for the preservation and care of the agency's public records, which shall include written or printed books, papers, letters, contracts, documents, maps, plans, and other records made or received pursuant to law or in connection with the transaction of public business. It shall be the duty of each such agency, and of the chief administrative officer thereof, to carefully protect and preserve public records from deterioration, mutilation, loss, or destruction. Records or record books may be repaired, renovated, or rebound when necessary to preserve them properly.

Subd. 3. **Delivery to successor.** Every legal custodian of public records, at the expiration of his term of office or authority, or on his death his legal representative, shall deliver to his successor in office all public records in his custody; and the successor shall receipt therefor to his predecessor or his legal representative and shall file in his office a signed acknowledgment of the delivery. Every public officer shall demand from his predecessor in office, or his legal representative, the delivery of all public records belonging to his office.

Subd. 4. **Accessible to public.** Every custodian of public records shall keep them in such arrangement and condition as to make them easily accessible for convenient use. Except as otherwise expressly provided by law, he shall permit all public records in his custody to be inspected, examined, abstracted, or copied at reasonable times and under his supervision and regulation by any person; and he shall, upon the demand of any person, furnish certified copies thereof on payment in advance of fees not to exceed the fees prescribed by law.

[1941 c 553 s 1-4]

15.18 DISTRIBUTION OF PUBLICATIONS. Except as provided in Minnesota Statutes, Sections 5.08, 16.02, and 648.39, when any department, agency, or official of the state issues for public distribution any book, document, journal, map, pamphlet, or report copies thereof shall be delivered immediately as follows:

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Three copies to the Minnesota Historical Society;

One copy to the general library of the University of Minnesota, and may, upon request of the librarian, deliver additional copies;

Two copies to the state library, and such additional copies as the state librarian deems necessary for exchange with other libraries, with other states, with the United States, and with governments of foreign countries.

[1947 c 365 s 1]

15.19 [Obsolete]

15.21 BASIC SALARY RATES, ECONOMIC ADJUSTMENT INCREMENTS.

The following yearly basic salary rates and economic adjustment increments are established for the following heads of departments, divisions and agencies of the state, and for certain deputies and assistants:

Title	Basic Rate	Annual Adjustment Increment
Commissioner of Highways	\$7,400	\$300
Commissioner of Administration	7,400	300
Commissioner of Agriculture	7,400	300
Commissioner of Conservation	7,400	300
Commissioner of Education	7,400	300
Commissioner of Taxation	7,400	300
Director of Civil Service	7,400	300
Director of Employment and Security	7,400	300
Secretary and Executive Officer, Board of Health	7,400	300
Superintendent, Minnesota State Sanatorium	7,000	250
Superintendent, Anoka State Hospital	7,000	250
Superintendent, Cambridge State School and Hospital	7,000	250
Superintendent, Fergus Falls State Hospital	7,000	250
Superintendent, Hastings State Hospital	7,000	250
Superintendent, Minnesota School and Colony	7,000	250
Superintendent, Moose Lake State Hospital	7,000	250
Superintendent, Rochester State Hospital	7,000	250
Superintendent, St. Peter State Hospital	7,000	250
Superintendent, Willmar State Hospital	7,000	250
Labor Conciliator	7,000	250
Commissioner of Aeronautics	6,600	200
Commissioner of Banks	6,600	200
Commissioner of Insurance	6,600	200
Commissioner of Securities	6,600	200
Director of Youth Conservation Commission	6,600	200
Liquor Control Commissioner	6,600	200
Public Examiner	6,600	200
Deputy Commissioner of Conservation	6,600	200
Warden, State Prison	6,600	200
Directors of Game and Fish, Land and Minerals and Forestry	6,600	200
Warden, State Reformatory	6,600	200
Secretary and Executive Officer, Livestock Sanitary Board	6,600	200
Chairman, State Board of Parole	6,600	200
Industrial Commissioners (3)	6,100	175
Commissioner of Veterans Affairs	6,100	175
Superintendent, Bureau of Criminal Apprehension	6,100	175
Commissioner of Business Research and Development	6,100	175
Director of Water Resources and Engineering	6,100	175
Assistant Commissioner of Aeronautics	5,300	150
Commandant, Minnesota Soldiers Home	5,300	150
Commissioner of Iron Range Resources and Rehabilitation	5,300	150
Deputy Commissioner of Agriculture	5,300	150
Director of Parks	5,300	150
Superintendent, Braille and Sight-Saving School	5,300	150
Superintendent, Owatonna State School	5,300	150

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Superintendent, School for the Deaf.....	5,300	150
Superintendent, Gillette State Hospital.....	5,300	150
Superintendent, State Training School for Boys.....	5,300	150
Secretary, Compensation Insurance Board.....	4,800	140
State Surveyor General of Logs and Lumber.....	4,800	140
Members, Board of Grain Appeals (3).....	4,100	120
State Librarian	4,100	120
Superintendent, Minnesota Home School for Girls.....	4,100	120
Superintendent, State Reformatory for Women.....	4,100	120

In addition to his salary, each department head or other official listed in this section shall be reimbursed for all expenses necessarily incurred by him in the performance of his duties.

[1951 c 713 s 1]

15.22 DETERMINATION OF AVERAGE COST OF LIVING. Subdivision 1: The director of civil service shall prior to July 1, 1953, make an investigation and determine the average cost of living in the Minneapolis-St. Paul area as shown by the January, 1953, index published by the bureau of labor statistics of the United States department of labor. The director shall make similar investigations during the month of March every year thereafter, based on the January index published by the bureau of labor statistics of the United States department of labor.

Subd. 2. If, upon any investigation provided for in subdivision 1, the director shall ascertain that the average cost of living index, referred to in subdivision 1, is more than 60, he shall so notify the commissioner of administration, and the salary paid to each department head or other official listed in section 15.21 shall be increased by the number of economic adjustment increments as listed in section 15.21 computed by the director as provided in subdivision 3, effective the first day of the ensuing fiscal year.

If upon any such investigation he shall ascertain that such cost of living index is 60 or less, he shall so notify the commissioner of administration, and effective the first day of the ensuing fiscal year, the basic salaries provided for in section 15.21 shall be paid. Thereafter no reduction of salary shall be made by reason of the fact that the average cost of living index is less than 60.

Subd. 3. After each such investigation the director shall compute the number of economic adjustment increments to be added to the basic salary rates listed in section 15.21; the number of economic adjustment increments to be computed at the rate of one economic adjustment increment for each rise in such index of 4.2 points or fraction thereof, above 60, ascertained by the director, no more than one such increase to be recommended for rises within the same 4.2 point range. Following investigations subsequent to the initial investigation prior to July 1, 1953, the director shall recommend an increase, a decrease, or no change in the number of economic adjustment increments to be added to the basic salary rates. The recommendations of the director to the commissioner of administration shall be made prior to July 1, 1953, or before May 15 of each year thereafter, immediately following the investigation provided for in subdivision 1, and if the legislature is in session, copies of such recommendations shall at the same time be filed with each branch thereof. If the commissioner upon receiving such recommendation finds that sufficient funds are available to finance the additional adjustment, he shall so certify to the director prior to July 1, 1953, and on or before June 1 of each year thereafter. Copies of all certifications by the commissioner made pursuant to this subdivision shall be filed in the office of the secretary of state. The new adjustment shall become effective the first day of the ensuing fiscal year and salaries shall be paid accordingly.

Subd. 4. Salaries based on these yearly basic rates and economic adjustment increments shall be payable semi-monthly.

[1951 c 713 s 2; 1953 c 510 s 1]

15.23 COST OF LIVING INDICES. Whereas the bureau of labor statistics of the United States department of labor, herein termed the bureau, is now publishing a revised index showing the average cost of living, if the revised index is superseded by a different cost of living index published by said bureau, the director shall establish the relative relationship of the revised cost of living index to the new cost of living index and thereafter and then on the basis of such relationship shall determine the increase or decrease in the cost of living during the year under investigation. If the bureau does not publish an index of the cost of living for the Min-

neapolis-St. Paul area, the director shall use the national average as published by the bureau in lieu of the Minneapolis-St. Paul index for the purpose of establishing the economic adjustment increases or decreases authorized in sections 15.21 and 15.22.

[1951 c 713 s 41; 1953 c 510 s 2]

15.31 STATE EMPLOYEES, LIABILITY INSURANCE, PAYMENT OF PREMIUMS. The state shall pay premiums on insurance policies insuring its employees against liability from claims for bodily injuries, death or property damage made upon such employees while operating state owned vehicles in the performance of, in connection with or incidental to their duties as state employees. Payment of such premiums shall be made from funds appropriated or otherwise available to the various departments and agencies of the state. The payment of such premiums shall not impose upon the state any liability whatsoever for the payment of damages as a result of a claim against the state employee.

[1953 c 676 s 1]

15.35 STATE EMPLOYEES INSURANCE BOARD. There is hereby created a State Employees Insurance Board of five members hereinafter called the board. This board shall consist of the governor, the state treasurer, the commissioner of insurance and two state employees who shall be elected by state employees in a manner to be fixed by the board. Pending the first election of members to the board the governor shall appoint two eligible state employees to serve on the board. Such appointment shall be made after consultation with representative groups of state employees. The persons so appointed shall hold office only until the first election of board members, but may be candidates in such election. One board member shall be elected biennially except that two members shall be elected at the first election. The term of one of the two members first elected shall terminate on the first Monday in March, 1954, and the term of the other so elected shall terminate on the first Monday in March, 1956. Members of the board to succeed the first two elected members shall be elected for terms of four years and until their successors are elected and qualified. A state employee on leave of absence shall not be eligible for election or reelection to membership on this board, and the term of any board member who is on leave of absence from state employment for more than six months shall automatically terminate upon the expiration of such period. Any vacancy in the board caused by the death, resignation or removal of any member so elected shall be filled by the board for the unexpired portion of the term in which the vacancy occurs.

[1953 c 696 s 1]

15.36 COMPENSATION; OFFICERS; RULES AND REGULATIONS. Elective members of the board shall be paid the sum of \$10 for attendance at any regularly called meeting of the board, to be paid out of general revenues from moneys appropriated to the commissioner of insurance. Members of the board shall suffer no loss of salary or wages through service thereon. The board shall elect a chairman and a secretary from its members. The board shall, from time to time, establish rules and regulations for the administration, management and operation of the business authorized by this chapter.

[1953 c 696 s 2]

15.37 GROUP INSURANCE; PREMIUMS. Subdivision 1. The state, through the board, may insure its officers and employees, or any class or classes thereof, under a policy or policies of group insurance covering life, health, accident, surgical benefits, and hospitalization insurance, or any one or more of such forms of insurance. The premiums required from time to time to maintain such insurance in force shall be paid by its insured officers and employees, and the auditor shall deduct from the salary or wages of each officer or employee who elects to become insured, on the officer's or employee's written order, the officer's or employee's share of such premiums, and issue his warrant therefor to the insurer.

Subd. 2. A like payroll deduction and remittance shall be made upon the written order of any such officer or employees who are, or become, subscribers under a contract with a nonprofit hospital service plan corporation as defined by law.

[1953 c 696 s 3]