

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

Section 1. Minnesota Statutes 1971, Section 256.873, is amended to read:

256.873 PUBLIC WELFARE; WITHHELD SUPPORT MONEY; AGENCY DESIGNATED. The support money shall be withheld by the employer of said person obligated to pay the support and the amount withheld shall be remitted quarterly ~~at the times specified by law for submission of quarterly reports to the state of Minnesota for the withholding of employees state income taxes. The amounts so received by the state of Minnesota shall be remitted to the family service department of the county with responsibility for said dependent child to the public agency providing support to said dependent child.~~ Any amount so received in excess of the amount of public assistance expended for said child shall be further remitted to the person entitled thereto.

Approved April 19, 1973.

CHAPTER 123—S.F.No.349

[Coded in Part]

An act relating to the government of villages, boroughs and cities without home rule charters; providing for the conversion of villages and boroughs into cities; providing for a code of statutes relating to cities without home rule charters; amending Minnesota Statutes 1971, Chapter 205, by adding sections; Chapter 412, by adding sections; and Sections 200.02, Subdivision 8; 205.07; 205.09, Subdivision 2; 340.11, Subdivisions 7 and 8; 412.02, Subdivision 1; 413.02; 414.02; 426.04; 447.04; 447.045; 465.56; 465.57; 465.69 and 645.44; repealing Sections 200.02, Subdivision 9; 412.031; 412.181; 426.056; General Statutes 1894, Sections 1045 to 1195; Laws 1895, Chapter 8; Special Laws 1868, Chapter 36; Special Laws 1875, Chapter 6; Special Laws 1891, Chapters 2, 3, 5, 45 and 46; Special Laws 1879, Chapter 57; and Minnesota Statutes 1971, Chapter 411.

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

ARTICLE I

Section 1. **[412.015] UNIFORM CODE OF MUNICIPAL GOVERNMENT; LEGISLATIVE FINDINGS; POLICY.** Subdivision 1. The legislature finds that the laws relating to villages;

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boroughs and cities without home rule charters are characterized by unnecessary duplication and inconsistency of treatment; that confusion as to the application of such laws exists because of the imprecision of the terms village, borough and city; and that it is desirable that all such municipalities be governed by a uniform code of statutes in order to provide them with a modern form of local government and to reduce the volume of special legislation relating to municipal government.

Sec. 2. [412.015] Subd. 2. **LEGISLATIVE INTENT.** It is the intention of this act to simplify the statutes relating to municipal government by bringing the basic laws relating to all villages, boroughs and cities without home rule charters under a single code of statutes and to effect the transition with a maximum recognition of the desires of the citizens of such municipalities.

Sec. 3. [412.015] Subd. 3. **LIMITATIONS UPON UNIFORM CODE.** The legislature does not intend by this act:

(1) to affect, alter, repeal or otherwise modify any law of special application other than special or general acts of incorporation and amendments thereto;

(2) to modify the application of other statutory codes relating to municipal government; or

(3) to impose new substantive powers and duties on cities, villages or boroughs.

Sec. 4. [412.015] Subd. 4. **LIBERAL INTERPRETATION.** This act shall be interpreted liberally to carry out the intention set forth in this section.

ARTICLE II

Section 1. Minnesota Statutes 1971, Chapter 412, is amended by adding a section to read:

[412.016] **APPLICATION; STATUTORY CITIES.**
 Subdivision 1. **APPLICATION AND DEFINITION.** This chapter applies to any city which has not adopted a home rule charter pursuant to the constitution and the laws of this state. Such a city is defined as a "statutory city," and the term includes every city which was a village on the effective date of this act.

Subd. 2. **USE OF THE TERM VILLAGE.** Except as provided in Article IV, the term "village" shall not be applied to any municipal corporation operating under the authority of this chapter. In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall delete the term "village" from this chapter except where necessary to effect the provisions of Article IV.

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Sec. 2. Minnesota Statutes 1971, Section 412.02, Subdivision 1, is amended to read:

412.02 CITY ELECTIONS; OFFICERS, TERMS, VACANCIES. Subdivision 1. ~~TERMS. Except in villages which have biennial elections as provided in section 412.022,~~ The following officers shall be elected for the terms and in the years shown and in the ~~villages~~ cities described in the table.

Officer	Number of Years in Term	Year Elected	Village in Which Elected
Mayor	Two	Odd-numbered	Every village
Clerk	Two	Even-numbered	Every standard plan village in which there is no clerk-treasurer
Treasurer	Two	Odd-numbered	Every standard plan village in which there is no clerk-treasurer
Clerk-Treasurer	Two	Even-numbered	Every standard plan village where such office exists pursuant to subdivision 3
Three Councilmen	Three	One each year	Every standard plan village
Four Councilmen	Three	One each year except two every third year	Every optional plan village
Two Constables	Two	One each year	Every village in which the office has not been abolished pursuant to subdivision 4
Municipal Judges (Number provided by law)	Six	Year preceding expiration of term	Every village in which a municipal court has been established
Two Justices of the Peace	Two	Year preceding expiration of term	Every village without a municipal court or in which the office has not been abolished pursuant to subdivision 5

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<u>Officer</u>	<u>Number of Years in Term</u>	<u>Year Elected</u>	<u>City in Which Elected</u>
<u>Mayor</u>	<u>Two</u>	<u>Every two years</u>	<u>Every statutory city</u>
<u>Clerk</u>	<u>Four</u>	<u>Every four years in year when treasurer is not elected</u>	<u>Every statutory city In which there is no clerk-treasurer</u>
<u>Treasurer</u>	<u>Four</u>	<u>Every four years in year in which clerk is not elected</u>	<u>Every statutory city in which there is no clerk-treasurer</u>
<u>Clerk- Treasurer</u>	<u>Four</u>	<u>Every four years in year in which one councilman is elected</u>	<u>Every standard plan city where such office exists pursuant to sub- division 3</u>
<u>Three Councilmen</u>	<u>Four</u>	<u>Two every four years and one in alternate year when mayor is elected</u>	<u>Every standard plan city</u>
<u>Four Councilmen</u>	<u>Four</u>	<u>Two each election</u>	<u>Every optional plan City</u>
<u>Two Constables</u>	<u>Four</u>	<u>One each election</u>	<u>Every city in which the office has not been abolished pursuant to subdivision 4</u>
<u>Municipal Judge (Number provided by law)</u>	<u>Six</u>	<u>Election year preceding expiration of term</u>	<u>Every city in which a municipal court has been established</u>
<u>Two Justices of the Peace</u>	<u>Two</u>	<u>At each election</u>	<u>Every statutory city without a municipal court or in which the office has not been abolished pursuant to subdivision 5</u>

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Sec. 3. Minnesota Statutes 1971, Chapter 412, is amended by adding a section to read:

[412.023] TRANSITION SCHEDULE. Subdivision 1. FORMER VILLAGES. In any city which was a village on the effective date of this act and which has not, prior to that date, provided for biennial village elections under section 412.022, there shall be a municipal election on November 5, 1974, at which there shall be elected the officers who would be elected at that election under the election schedule previously in effect, but they shall be elected for the terms specified in section 2 of Article II of this act. If, at the 1974 election three councilmen are to be elected in any statutory city, the two persons receiving the highest vote shall serve for terms of four years and the person receiving the third highest number of votes shall serve for a term of two years. In any former village which has provided for biennial elections under section 412.022, subdivision 1, prior to 1973, the election schedule shall not be changed by the adoption of this act.

Subd. 2. FORMER CITIES AND BOROUGHES. In each municipality now operating under a general or special law, providing for a biennial election, the city election shall continue to be held in the year in which the election would have been held if this law had not been enacted, but terms of officers elected after this act takes effect in the city shall conform to the provisions of section 2 of Article II of this act. In any such city heretofore holding annual elections, a city election for all officers referred to under section 2 of Article II of this act shall be held at the time previously prescribed in each of the two years following the application of this act to the city; but terms of officers chosen at those elections shall be those specified in section 2 of Article II of this act. In any such municipality previously holding the biennial elections, the city elections held after the effective date of this act shall be held in the same year as previously, unless election in a different year is provided hereafter in accordance with section 205.07, subdivision 1.

Subd. 3. TRANSITION INTENT. Whenever the establishment of the biennial system provided by this act results in the expiration of any current term of office at a time when no city election is held in the months immediately prior thereto, each term is extended until the date for taking office following the next scheduled city election. It is the intent of this act to put into effect as soon as practicable a state-wide system of biennial elections in statutory cities and to do so without shortening terms of incumbents or lengthening those terms for more than one year plus the number of months required in any statutory city to move its election date from spring to November. To the extent neces-

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sary to provide for an orderly transition to the biennial election plan and schedule provided for in this section, the council may adopt supplementary ordinances regulating initial elections, officers to be chosen at such elections, and the terms of incumbents and those so elected.

Subd. 4. OFFICERS TO BE ELECTED IN FORMER STATUTORY CITIES. In any statutory city previously operating as a city or borough under a general or special law providing for the election of a clerk and a treasurer, or a clerk-treasurer, the city shall be deemed to be operating under optional plan A after the expiration of the term of the incumbent clerk or at such earlier time as a vacancy occurs in that office. Notwithstanding any other provision of this act or the statutory city code, any statutory city previously operating under a law providing for a council of more than five members or for the election of some or all of the councilmen by wards may continue to have a council of the same size as formerly and to elect councilmen by wards to the extent formerly authorized, but the mayor shall serve as a member of the council and act as its chairman as in other statutory cities, and the mayor and councilmen shall serve four-year terms as in statutory cities generally. The council of any such city may by ordinance adopted prior to September 1 and effective no earlier than the following January, abolish the ward system and provide for a council constituted as in statutory cities generally.

Subd. 5. OTHER OFFICERS. Any statutory city previously operating as a city or borough under a general or special law which did not require the election of a justice of the peace or constable or in which such officers did not exist, is not required by this act to appoint such officers. Any such city which has established the office of city administrator by ordinance may continue such office in existence notwithstanding the provisions of this act.

Sec. 4. REPEAL. Minnesota Statutes 1971, Sections 412.031 and 412.181, are repealed.

ARTICLE III

Section 1. Minnesota Statutes 1971, Section 200.02, Subdivision 8, is amended to read:

Subd. 8. CITIES. The word "city" means an incorporated city within this state. The words "statutory city" mean any city which has not adopted a home rule charter pursuant to the constitution and laws of this state; the words "home rule charter city" mean any city which has adopted such a charter.

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Sec. 2. Minnesota Statutes 1971, Chapter 205, is amended by adding a section to read:

[205.041] APPLICATION. Sections 205.05 to 205.09 apply to towns and statutory cities.

Sec. 3. Minnesota Statutes 1971, Chapter 205, is amended by adding a section to read:

[205.091] APPLICATION. Sections 205.10 to 205.19 apply only to home rule charter cities.

Sec. 4. Minnesota Statutes 1971, Section 205.07, is amended to read:

205.07 CITY ELECTION. Subdivision 1. **DATE.** The regular ~~village city~~ election shall be held ~~annually~~ biennially on the first Tuesday after the first Monday in ~~December~~ November every year; except that the governing body of ~~every village~~ any statutory city may, by ordinance passed at a regular meeting held before September 1 of ~~any year~~, elect to hold the election on the first Tuesday after the first Monday in November in each odd-numbered year. Any city which is a village on the effective date of this act and has before that date provided for a system of biennial elections in the odd-numbered year shall continue to hold its elections in that year until changed in accordance with this section. Whenever the time for holding the ~~village city~~ election is changed, the ~~village city~~ clerk immediately shall notify in writing the county auditor and secretary of state of the change of date; and thereafter the regular ~~village city~~ election shall be held on the first Tuesday after the first Monday in November in each odd-numbered year until the ordinance is revoked.

Subd. 2. **NOTICE.** The ~~village city~~ clerk shall cause ten days' posted notice and may also cause two weeks' published notice of the ~~annual village biennial city~~ election to be given, specifying the time and place thereof, the offices to be filled, and the questions, if any, to be determined by vote.

Sec. 5. Minnesota Statutes 1971, Section 205.09, Subdivision 2, is amended to read:

Subd. 2. **PRIMARY ELECTION, TIME.** The primary election shall be held not less than 10 days nor more than 14 days preceding the ~~village city~~ election, and the time shall be determined by the governing body; except that whenever the ~~annual village biennial city~~ election is to be held on the day of the state general election, the governing body may provide that the ~~village city~~ primary election shall be held on the day of the state primary election. ~~The governing body of any village holding its annual election on the first Tuesday after the first Monday in December may provide that~~

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~~the village primary election shall be held on the first Tuesday after the first Monday in November. The village city clerk shall give notice of the village city primary election in the same manner provided for notice of the annual village biennial city election.~~

Sec. 6. **REVISOR DUTIES.** In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall delete the term "village" from chapter 205 and make such other changes in terminology in that chapter as are necessary to carry out the provisions of this article.

Sec. 7. **REPEAL.** Minnesota Statutes 1971, Section 200.02, Subdivision 9 is repealed.

ARTICLE IV

Section 1. Minnesota Statutes 1971, Section 340.11, Subdivision 7, is amended to read:

Subd. 7. **ON-SALE; THIRD AND FOURTH CLASS CITIES; VILLAGES AND BOROUGHES.** Not more than 12 "on-sale" licenses shall be issued in any city of the third class. Not more than seven "on-sale" licenses shall be issued in any city of the fourth class, or borough. ~~Not more than 12 "on-sale" licenses shall be issued in any village of 10,000 to 20,000 population including those cities and boroughs whose acts of incorporation are repealed by Article V, Section 5 of this act.~~ Not more than six "on-sale" licenses shall be issued in any village statutory city of 5,000 to 10,000 population. Not more than five "on-sale" licenses shall be issued in any village statutory city of 2,500 to 5,000 population. Not more than four "on-sale" licenses shall be issued in any village statutory city of 500 to 2,500 population. Not more than three "on-sale" licenses shall be issued in any village statutory city of less than 500 population. For purposes of this subdivision the term "statutory city" does not include those cities and boroughs whose acts of incorporation are repealed by Article V, Section 5 of this act. This section shall not be construed to increase or decrease the number of "on-sale" licenses that may be issued in any municipality.

Sec. 2. Minnesota Statutes 1971, Section 340.11, Subdivision 8, is amended to read:

Subd. 8. **ADDITIONAL ON-SALE LICENSES; ST. LOUIS COUNTY.** ~~In counties having an area of more than 5,000 square miles St. Louis county,~~ if the liquor control commissioner also approves, the governing body in cities of the third class may grant 15 "on-sale" licenses and in cities of the fourth class, including those cities whose acts of incorporation are repealed by Article V, Section 5, of this act, may issue nine "on-sale" licenses and in

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villages statutory cities having a population of more than 2,500, and less than 5,000, six "on-sale" licenses. For purposes of this subdivision the term "statutory city" does not include those cities and boroughs whose acts of incorporation are repealed by Article V, Section 5, of this act. This section shall not be construed to increase or decrease the number of "on-sale" licenses that may be issued in any municipality.

Sec. 3. Minnesota Statutes 1971, Section 413.02, is amended to read:

413.02 **CHANGE OF NAME. Subdivision 1. STATUTORY CITY; PROCEDURE.** When 20 percent of the legal voters of ~~any village or any city of the fourth class of this state~~ a statutory city shall petition the governing body thereof for a change of its name, ~~the question of such change of name may be submitted to the voters of the municipality at any general or special election; and, if a majority of all the votes cast upon the question are in favor of such change, the governing body of the municipality may by ordinance, by a four-fifths vote of all members thereof, change the name of the municipality.~~

Subd. 2. **FILING; EFFECT.** Upon the filing of a certified copy of the ordinance with the auditor of the county in which the ~~village or city~~ is located and with the state auditor and the secretary of state, the name of such ~~village or city~~ shall be changed as in such ordinance provided. Such change in name shall in no way affect any liability, obligation, power, duty, law, or ordinance, or other matter or thing in any way relating to such ~~village or city~~, excepting that the new name of such ~~village or city~~ shall thereafter be substituted for and used in the place of its old name.

Subd. 3. **CITY TO POSTOFFICE; PROCEDURE.** The name of any ~~village~~ statutory city in this state may be changed to the same name as the postoffice therein, by an ordinance of the ~~village~~ statutory city so declaring, duly and legally adopted by the council thereof, when the name of the ~~village~~ statutory city is different from the name of the postoffice therein as designated by the United States postal authorities.

Subd. 4. **WHEN EFFECTIVE.** Upon the filing of a certified copy of such ordinance with the auditor of the county in which the ~~village~~ city is located, and with the state auditor and the secretary of state, the name of the ~~village~~ city shall be changed as in such ordinance provided. Such change in name shall in no way affect any liability, obligation, power, duty, law, or ordinance, or other matter or thing in any way relating to the ~~village~~ city, excepting that the new name of the ~~village~~ city shall thereafter be substituted for and used in place of its old name.

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Subd. 5. USE OF TERM VILLAGE; PROCEDURE. Any statutory city which was a village or a borough on December 31, 1973, may continue to employ the term "village" or "borough" for any purpose including, but not limited to, internal administration, public communications, and published and posted notices; provided, however, that in all proceedings governed by statute or rule or regulation of a state agency and in all legal proceedings to which the city is a party, the term "city" shall be employed. The validity of any proceeding commenced or action taken by a village or borough prior to the effective date of this act in which the term "village" or "borough" was employed shall not be affected by the provisions of this subdivision.

Sec. 5. Minnesota Statutes 1971, Section 414.02, is amended to read:

414.02 MUNICIPAL INCORPORATION. Subdivision 1. **INITIATING THE INCORPORATION PROCEEDINGS.** This section provides the exclusive method of incorporating a village municipality in any county containing a city of the first or second class, in any county within any metropolitan areas as defined in Minnesota Statutes, Section 473.02, Subdivision 5, or in any other area of Minnesota if the proposed new municipality is within four miles of the boundary of an existing municipality. In any other area in Minnesota the petition or resolution for incorporation shall be filed with the board of county commissioners which shall apply the standards and procedures of this section in determining whether or not to order an incorporation. Hearings before the board of county commissioners shall be conducted by the secretary. Proceedings for incorporation of a village municipality may be initiated by petition of 100 or more property owners or by resolution of the town board having jurisdiction within an area containing a resident population of not less than 500 persons, and which is not included within the limits of any incorporated municipality and which area includes land that has been platted into lots and blocks in the manner provided by law. The petition or resolution shall be submitted to the secretary and shall state the quantity of land embraced in it, platted and unplatted, the assessed valuation of the property, both platted and unplatted, the estimated number of actual residents, the proposed name of the village municipality, a brief description of the existing facilities as to water, sewage disposal, and fire and police protection, the names of all parties entitled to mailed notice under section 414.09, the reason for requesting incorporation, and shall include a map setting forth the boundaries of the territory.

Subd. 2. **COMMISSION'S HEARING AND NOTICE.** Upon receipt of a petition or resolution made pursuant to subdivision 1, the secretary of the commission shall designate a time and place for a hearing in accordance with section 414.09.

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Subd. 3. **COMMISSION'S ORDER.** Upon completion of the hearing the commission may order the incorporation if it finds that the property to be incorporated is now, or is about to become, urban or suburban in character, or that the existing township form of government is not adequate to protect the public health, safety, and welfare. *The commission may deny the incorporation if the area, or a part thereof, would be better served by annexation to or consolidated with an adjacent municipality.* As a guide in arriving at a determination, the commission shall consider the following factors:

(a) Present population, past population growth and projected population for the area;

(b) Quantity of land within the area proposed for incorporation;

(c) Present pattern of physical development in the area including residential, industrial, commercial and institutional land uses;

(d) Comprehensive plans for development of the area including development as projected by the metropolitan council or the state planning agency;

(e) Type and degree of control presently being exercised over development in the area including zoning ordinances, subdivision regulations and housing and building codes;

(f) Natural terrain of the area including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(g) Present governmental services being provided to the area including water and sewer service, fire and police protection, street improvements and maintenance, and recreational facilities;

(h) Existing or potential problems of environmental pollution and the need for additional services to avoid or minimize these problems;

(i) Fiscal data of the area including assessed valuation trends, mill rate trends (state, county, school district and town) and present bonded indebtedness;

(j) Relationship and effect of the proposed incorporation on communities adjacent to the area and school districts within and adjacent to the area;

(k) Analysis of whether the needed governmental services can best be provided through incorporation or annexation to an adjacent municipality; and

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(1) Adequacy of town government to deal with problems of the area.

The commission may alter the boundaries of the proposed incorporation by increasing or decreasing the area to be incorporated so as to include only that property which is now, or is about to become, urban or suburban in character, or may exclude property that may be better served by another unit of government. Notwithstanding any other provision of law to the contrary relating to the number of wards which may be established, the commission may provide for election of councilmen by wards, not less than three nor more than seven in number, whose limits are prescribed in the commission order upon a finding that area representation is required to accord proper representation in the proposed incorporated area because of uneven population density in different parts thereof or the existence of agricultural lands therein which are in the path of suburban development, but after four years from the effective date of an incorporation the council of the village municipality may by resolution adopted by a 4/5ths vote abolish the ward system and provide for the election of all councilmen at large as in other villages municipalities.

The commission's order for incorporation shall provide for the election of village municipality officers in accordance with section 414.09. The plan of government shall be "Optional Plan A", provided that an alternate plan may be adopted pursuant to Minnesota Statutes 1967, Section 412.551, at any time.

Subd. 4. **EFFECTIVE DATE OF INCORPORATION.** The incorporation shall be effective upon the election and qualification of new village municipality officers or on such later date as is fixed by the commission in its order.

Sec. 6. Minnesota Statutes 1971, Section 426.04, is amended to read:

426.04 TAXES FOR GENERAL PURPOSES. The governing body of any home rule charter city of the third or fourth class in this state is hereby authorized to levy taxes annually against the taxable property in any such city for all general fund purposes, not exceeding 40 mills on the dollar of the assessed valuation of the city, computed as permitted under section 273.13, subdivision 7a. ~~In case the city is operating under any special law or under any form of charter which authorizes the city~~ If the charter of such city authorizes it to levy taxes for general fund purposes in excess of 40 mills on the dollar, these provisions shall not limit any such city. This section does not apply to a third class city which is contiguous to a city of the first class located in a different county or to a fourth class city in a county containing a first class city.

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Sec. 7. Minnesota Statutes 1971, Section 447.04, is amended to read:

447.04 CHARITY BUREAU. The council of any village statutory city now or hereafter having a population of more than 8,000, may establish and maintain a public charity bureau for the purpose of providing public charitable relief to the poor therein, and to assist ex-service men in securing hospitalization, sick relief, federal aid or benefits, and for the relief generally of such persons, and to defray the expense thereof.

Sec. 8. Minnesota Statutes 1971, Section 447.045, is amended to read:

447.045 LIQUOR DISPENSARY FUND, COMMUNITY HOSPITAL. Subdivision 1. The council of any city of the fourth class operating under a home rule charter and operating an off sale municipal liquor dispensary may appropriate not to exceed \$125,000 from the liquor dispensary fund to any duly incorporated non-profit hospital association for the construction of a community hospital in such city governed by a board including two or more members of the city council and open to all residents of the city on equal terms. No such appropriation shall be made in any city where the average net earnings of the off sale municipal liquor dispensary had not exceeded \$18,000 for the last five completed fiscal years preceding the date of such appropriation.

Subd. 2. If the voters of any village statutory city operating an on sale and off sale municipal liquor store, at a general or special election, vote in favor of contributing from its liquor dispensary fund toward the construction of a community hospital, the council thereof may appropriate not to exceed \$60,000 from its liquor dispensary fund to any duly incorporated non-profit hospital association for the construction of a community hospital in the village statutory city governed by a board including two or more members of the village statutory city council and open to all residents of the village statutory city on equal terms. This appropriation shall not exceed one half the total cost of construction of the hospital. No such appropriation shall be made in any village statutory city where the average net earnings of the on sale and off sale municipal liquor store have been less than \$10,000 for the last five completed fiscal years preceding the date of such appropriation.

Subd. 3. (a) If the voters of any village statutory city operating an off sale, or an on and off sale municipal liquor store at a general or special election vote in favor of contributing from the village liquor dispensary fund toward the construction, maintenance and operation of a community hospital, the council thereof may for a period of four years thereafter appropriate from its

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liquor dispensary fund to any duly incorporated non-profit hospital association not to exceed \$4,000 of the net profits or proceeds of the municipal liquor store in any one year for construction and maintenance of any such hospital in such village statutory city; and not to exceed \$1,000 in any one year for the operation thereof; and the hospital shall be open to all residents of the community on equal terms.

(b) No such appropriation shall be made in any village statutory city where the average net earnings of the off sale, or on and off sale municipal liquor store have been less than \$8,000 for the last two completed years preceding the date of such appropriation.

Subd. 4. If the voters of any city of the fourth class ~~operating under a home rule charter or otherwise~~, operating one or more municipal liquor stores, at a general or special election vote in favor of contributing from the profit in the city liquor dispensary fund toward the construction, equipping and maintenance of a community hospital within the limits of the city, the council thereof may appropriate not to exceed \$200,000 from profits in its liquor dispensary fund for the construction, equipping and maintenance of a community hospital in such city and open to all residents of the city on equal terms.

Certificates of indebtedness in anticipation of such profits may be issued by any such city payable only from profits from the operation of such store or stores.

Subd. 5. (a) The council of any village statutory city operating either an on sale or an off sale municipal liquor store, or both, may appropriate funds from the net earnings thereof, annually, not exceeding 50 percent thereof to any duly incorporated non-profit hospital association to aid in the maintenance and cost of operation of such hospital, provided such hospital is governed by a board of directors including two or more members of the village statutory city council, and the hospital grounds and buildings are owned by the municipality and leased to such hospital association, and provided the hospital is open to all residents of the village statutory city on equal terms.

(b) No such appropriation shall be made in any village statutory city where the average net earnings of the on sale, the off sale, or the on sale and off sale municipal liquor store have been less than \$8,000 for the last five completed fiscal years preceding the date of such appropriation.

Subd. 6. If the electors at any general or special election held in any statutory city of the fourth class ~~not operating under a home rule charter~~, which city operates a municipal liquor store, vote in favor of contributing from the city liquor dispensary fund

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an amount not to exceed \$15,000 per year for each of five years toward the construction and maintenance of a community hospital, the council may appropriate not to exceed said amount each year for not to exceed five years out of said fund and may pay the same to any incorporated community hospital association in the city.

Subd. 7. If the voters of any village statutory city operating an on sale, or an off sale, or an on sale and off sale municipal liquor store at a general or special election vote in favor of contributing from the village statutory city liquor dispensary fund toward the acquisition, construction, improvement, maintenance, and operation of a community hospital, the council may appropriate such sums of money as said council may from time to time determine out of the net profits or proceeds of the municipal liquor store to any incorporated non-profit hospital association in the village statutory city, governed by a board of directors elected by donors of \$50 or more, who shall each have one vote; and the hospital shall be open to all residents of the community on equal terms.

Sec. 9. Minnesota Statutes 1971, Section 465.56, is amended to read:

465.56 CITIES MAY LEVY TAXES FOR ADVERTISING PURPOSES. Subdivision 1. The governing body of ~~any village, borough, or city~~ statutory city, or home rule charter city of the fourth class may, when authorized by the electors thereof, as hereinafter provided, annually levy a tax of not to exceed one mill on all the taxable property within such ~~village, borough, or city,~~ municipality but in no event shall more than \$2,000 be raised in any one year for the purpose of advertising the village, borough, or city municipality and its resources and advantages. Such tax shall be levied in the same manner and at the same time as taxes for other municipal purposes are levied, and shall be collected in the same manner. The proceeds of such tax shall be used only for the purpose of advertising such ~~village, borough, or city~~ municipality or for cooperative programs of promotion for the area by more than one such ~~village, borough, or city~~ municipality and its resources and advantages; provided, that the annual expenditure for such purposes by any such ~~village, borough, or city~~ municipality is hereby limited to the sum of \$2,000, provided, nothing in sections 465.56 and 465.57 shall permit the levy of any tax in excess of the amount authorized by sections 275.11 to 275.16. For purposes of this subdivision the term "statutory city" does not include any city which was operating under the provisions of Laws 1895, Chapter 8, as amended, on July 1, 1975.

Subd. 2. The governing body of any city which was operating under the provisions of Laws 1895, Chapter 8, as amended, on July 1, 1975, may expend not more than \$5,000 annually for the

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

purpose of advertising the city and its resources and advantages notwithstanding the provision of section 465.57.

Sec. 10. Minnesota Statutes 1971, Section 465.57, is amended to read:

465.57 VOTE AT ELECTION. Such governing body may by resolution adopted at least 20 days before any general ~~village, borough, or city~~ municipal election provide for submitting to the voters at such election, to be voted upon by ballot, the question of levying a tax as provided in section 465.56. If a majority of the votes cast on the question be in favor of the proposition, the same shall be deemed carried and the governing body may levy such tax annually.

Sec. 11. Minnesota Statutes 1971, Section 465.69, is amended to read:

465.69 TRAINING OF SCHOOL SAFETY PATROL MEMBERS. Any ~~village~~ statutory city of this state may provide for the training of members of the school safety patrol at any authorized school patrol camp located in this state and may pay the expense necessarily incurred in providing such training, out of any funds available for said purpose.

Sec. 12. Minnesota Statutes 1971, Section 426.056, is repealed.

ARTICLE V

Section 1. **[412.017] APPLICATION OF LAWS RELATING TO CLASSES OF CITIES TO MUNICIPALITIES WHICH WERE VILLAGES.** Subdivision 1. Except as provided in subdivision 2 of this section, no general law in effect on December 31, 1973, which by its terms applies to second class cities, or to third class cities, or to both second and third class cities, applies to any statutory city which was a village on December 31, 1973.

Subd. 2. The provisions of Minnesota Statutes, Section 415.11 shall apply to any statutory city which was a village on December 31, 1973.

Sec. 2. Minnesota Statutes 1971, Section 645.44, is amended by adding a subdivision to read:

Subd. 3a. CITIES. The words "home rule charter city" mean any city which has adopted a home rule charter pursuant to the constitution and laws of the state; the words "statutory city" mean any city which has not adopted such a charter. The word "city" where not otherwise qualified includes statutory and home rule charter cities.

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

Sec. 3. EFFECTIVE DATE. Subdivision 1. GENERALLY. Except as otherwise provided in this section, this act is effective on January 1, 1974.

Subd. 2. [412.018] CITIES UNDER GENERAL OR SPECIAL INCORPORATION ACTS. Subdivision 1. TERMINATION OF GOVERNMENT UNDER INCORPORATION ACTS. On July 1, 1975, any city incorporated under and governed by General Statutes 1894, Sections 1045 to 1195, Laws of 1895, Chapter 8, or Minnesota Statutes 1971, Chapter 411; and the cities and borough of Belle Plaine, Special Laws 1868, Chapter 36; Chaska, Special Laws 1891, Chapter 2; Henderson, Special Laws 1891, Chapter 3; St. Peter, Special Laws 1891, Chapter 5; LeSueur, Special Laws 1891, Chapter 45; New Prague, Special Laws 1891, Chapter 46; Shakopee, Special Laws 1875, Chapter 6; and St. Charles, Special Laws 1879, Chapter 57, shall cease to be governed by the general or special incorporation acts specified in this section and will thenceforth be governed and controlled and derive their corporate legislative and other powers from the laws applicable to statutory cities generally and from such other special laws as may be applicable to them.

Subd. 3. [412.018] Subd. 2. OPTION FOR EARLY CHANGE. The governing body of any city or borough described in subdivision 2 may, at any time prior to July 1, 1975, choose to be no longer subject to its general or special incorporation act by an appropriate resolution enacted by a majority of its members and filed with the county and state auditor and the secretary of state. After the filing of the resolution the city or borough shall be governed by the laws applicable to statutory cities generally to the same degree as it will be after July 1, 1975.

Sec. 4. [412.018] Subd. 3. FISCAL YEAR; FORMER CITIES. In any city which was a statutory city or borough prior to 1973, and in which the fiscal year has not coincided with the calendar year, the calendar year shall become the fiscal year in 1976. The clerk, subject to the direction of the council, shall make such adjustments for accounts and reports during the transitional year as are necessary to provide the basis for accurate and comparable accounting and reporting.

Sec. 5. REPEALS. Subdivision 1. SPECIFIC REPEALS OF INCORPORATIONS ACTS. General Statutes 1894, Sections 1045 to 1195; Laws of 1895, Chapter 8; Special Laws of 1868, Chapter 36; Special Laws 1891, Chapter 2; Special Laws 1891, Chapter 3; Special Laws 1891, Chapter 5; Special Laws 1891, Chapter 45; Special Laws 1891, Chapter 46; Special Laws 1875, Chapter 6; Special Laws 1879, Chapter 57; Special Laws 1875, Chapter 6; and Minnesota Statutes 1971, Chapter 411, are repealed.

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Subd. 2. EFFECTIVE DATE. This section is effective on July 1, 1975.

Sec. 6. SAVINGS. Any proceedings or actions commenced under any of the laws repealed by the Article before its effective date shall be completed under the laws under which they were begun notwithstanding such repeal. Any contract or other obligation of any city, village or borough is unaffected by this act or the repeal of the statutes contained herein.

Sec. 7. REVISOR'S DUTIES. In addition to the directions contained in other sections of this act, the revisor of statutes is hereby directed and authorized to make such changes in terminology and numbering in the next and subsequent editions of the Minnesota Statutes as are necessary to carry out the provisions of this act and the policy embodied in Article I.

Approved April 19, 1973.

CHAPTER 124—S.F.No.655

[Coded]

An act relating to natural resources; ratifying and affirming the settlement agreement arising from litigation concerning certain rights of the Chippewa Indians which are protected by treaty; prescribing the powers and duties of the commissioner of natural resources in relation to the settlement agreement; amending Minnesota Statutes 1971, Chapter 97, by adding a section.

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

Section 1. Minnesota Statutes 1971, Chapter 97, is amended by adding a section to read:

[97.431] INDIANS; LEECH LAKE BAND; TREATY RIGHTS; SPECIAL PROVISIONS RELATING TO HUNTING, FISHING, TRAPPING AND WILD RICE RIGHTS OF INDIANS. Subdivision 1. PURPOSE. The purpose of this section is to give recognition and effect to the rights of the Leech Lake Band of Chippewa Indians which are preserved by federal treaty and which relate to hunting, fishing, and trapping, and to the gathering of wild rice on the Leech Lake Indian reservation. These rights have been recognized and given effect by the decision of the United States District Court in the following entitled actions: Leech Lake Band of Chippewa Indians, et al. v. Robert L. Herbst, No. 3-69 Civ.

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