

# MASON'S MINNESOTA STATUTES

1927

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EMBRACING THE ORGANIC LAWS, THE CONSTITUTION, AND THE STAT-  
UTES CONTAINED IN THE GENERAL STATUTES OF 1923, EXCEPT  
THOSE WHICH HAVE BEEN REPEALED OR SUPERSEDED  
BY THE SUBSEQUENT LEGISLATION OF 1925  
AND 1927

AND ALSO EMBRACING LAWS OMITTED FROM THE GENERAL STATUTES  
1923, AND THE LAWS OF THE 1925 AND 1927 SESSIONS OF THE  
LEGISLATURE UNDER APPROPRIATE CLASSIFICATION.

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CITER-DIGEST COMPANY

WILLIAM H. MASON,  
Editor in Chief.

MARTIN S. CHANDLER,  
RICHARD O. MASON,  
Assistant Editors.

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ceipt by it of such request, shall proceed to make an inspection and test of all such meters, mechanical devices and measures upon the premises of all such petitioning consumers and upon the premises of all other consumers within such municipality who, at the time of such inspection and test, shall have deposited with the clerk of such municipality said fee of 25 cents for each such meter, mechanical device and measure upon the premises of such consumers. All such fees collected by the clerk of any such municipality shall be remitted by such municipality to the commission within 30 days of the completion of such inspection and test, and deposited to the credit of the Weights and Measures fund. All such meters, mechanical devices and measures found, upon inspection, to be correct and accurate, shall be sealed with proper devices to be approved by the commission. The commission, or any of its employes, shall condemn, seize and destroy all incorrect and inaccurate meters, mechanical devices and measures which, in the judgment of the commission cannot be satisfactorily repaired; and such as are incorrect and inaccurate and yet may be re-

paired, shall be marked as "Condemned for Repair," in the manner to be prescribed by the commission. The owners of any such meters, mechanical devices and measures which have been so "Condemned for Repair" shall have the same repaired and corrected within 30 days; and such meters, mechanical devices and measures shall not be disposed of without the consent of the commission. In the general performance of its duty the commission, or any of its employes, may enter or go into or upon any premises, building, stand or place at all reasonable times. ('27, c. 291, § 1, effective July 1, 1927 by § 3)

**5285-2. Same—Obstruction of inspection—Penalty**—Every person, association or corporation that shall refuse to allow entrance upon or into his or its premises, building, stand, or place for the purpose of inspection as prescribed herein, or that shall use, employ, keep, sell or offer or expose for sale any such meters, mechanical devices or measures in violation of this act shall be guilty of a misdemeanor, and each violation thereof shall constitute a separate offense. ('27, c. 291, § 2, effective July 1, 1927 by § 3)

CHAPTER 28A-1

TELEPHONE COMPANIES

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**5286. Telephone companies placed under jurisdiction of Railroad and Warehouse Commission—The Railroad and Warehouse Commission, now existing un-**

der the laws of this state, is hereby vested with the same jurisdiction and supervisory power over telephone companies doing business in this state, as it now has over railroad and express companies, and wherever the term "commission" is used in this act it shall mean said Railroad and Warehouse Commission. ('15 c. 152 § 1)

Commission has jurisdiction over unorganized association (141-125, 169+430). Regulation of poles and wires remains in municipality (138-281, 164+989). 164-279, 204+873, note under § 5304.

**5287. Construction of "Telephone Company"**—The term "Telephone Company" as used in this act shall mean and apply to any person, firm, association or any corporation, private or municipal, owning or operating any telephone line or telephone exchange for hire, wholly or partly within this state, or furnishing any telephone service to the public. ('15 c. 152 § 2)

**5288. Scope of law**—Except as otherwise provided in this act, all the provisions of Chapter 28 of the Revised Laws of 1905 and acts amendatory thereof applying to railroad and express companies shall, in so far as the same are applicable, apply also to telephone companies. ('15 c. 152 § 3)

See Chapter 28 of these statutes. 148-219, 181+333; 274 Fed. 384.

**5289. Rates to be fair and reasonable**—It shall be the duty of every telephone company to furnish reasonably adequate service and facilities for the accommodation of the public, and its rates, tolls and charges shall be fair and reasonable for the intrastate use thereof. All unreasonable rates, tolls and charges are hereby declared to be unlawful. ('15 c. 152 § 4)

Advisability of continuing rates in effect (146-247, 178+604). Contract rates ambiguous (148-219, 181+333).

**5290. Schedule of rates to be filed with the commission**—Upon the taking effect of this act it shall be the duty of every telephone company to forthwith file with the commission a schedule of its exchange rates, tolls and charges for every kind of service, together

with all rules, regulations and classifications used by it in the conduct of the telephone business, all of which shall be kept on file by the commission subject to public inspection. The commission shall require each telephone company to keep open for public inspection at designated offices, so much of said schedules and regulations as it deems necessary for the public information. ('15 c. 152 § 5)

Rates under federal control in excess of those fixed by commission (146-247, 178+604). Toll charges (148-219, 181+333).

5291  
248nw 220  
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**5291. Commission to fix reasonable rates**—Whenever such rates or schedules are found to be unreasonable by the commission, upon its own motion or upon complaint, it shall prescribe reasonable rates to take the place of those found unreasonable and such new rates shall be filed in place of the rates or schedule superseded. No rates filed with the commission shall be changed by any telephone company without an order of the commissioner sanctioning the same. It shall be unlawful for any telephone company to collect or receive a greater or less rate or charge for any intrastate service rendered by it than the rate or charge named in the schedules on file with the commission, and no new rate shall take effect till the date named by the commission, which shall not be less than ten days after it is filed. ('15 c. 152 § 6)

Order of commission approving federal rates as temporary rates (146-247, 178+604; 274+384.

**5292. Discrimination prohibited**—No telephone company or any agent or officer thereof shall, directly or indirectly, in any manner whatsoever, knowingly or wilfully, charge, demand, collect or receive from any person, firm or corporation, a greater or less compensation for any intrastate service rendered or to be rendered by it than it charges, demands, collects or receives from any other firm, person or corporation for a like and contemporaneous intrastate service under similar circumstances. ('15 c. 152 § 7)

**5293. Commission to prescribe uniform rules**—It shall be the duty of the commission to prescribe uniform rules and classifications pertaining to the conduct of intrastate telephone business and a system of accounting to be used by telephone companies in transacting said business, and it shall prescribe and furnish blanks and forms for reports, all of which shall conform as nearly as practicable to the rules, classifications, accounting systems and reports prescribed by the Interstate Commerce commission for the interstate business of like size companies.

The commission shall by correspondence, or conference where necessary, use its best endeavors toward establishing uniformity in practice in all matters pertaining to regulation of the business of telephone companies between the federal government and state government of this and adjacent states. ('15 c. 152 § 8)

**5294. Inspection of books of telephone companies in case of failure to make reports**—Every telephone company subject to the provisions of this act, wherever organized, shall keep an office in this state, and shall make such reports to the commission as it shall from time to time require. All books, records and files and all of its property shall be at all times subject to inspection by the commission it shall close its accounts and take therefrom a balance sheet on December 31st each year, and on or before March 1st following, such balance sheet, together with such other information as the commission shall require, verified by an officer of the telephone company, shall be filed with the commission.

In the event that any telephone company shall fail to

file its annual report, as provided by this section, the commission is authorized to make such an examination of the books, records and vouchers of said company as is necessary to procure the necessary data for said annual report and cause the same prepared. The expense of procuring said data and preparing said report shall be paid by the telephone company failing to report, and the amount paid shall be credited by the state treasurer to funds in his hands appropriated for the expense of the Railroad and Warehouse Commission.

The commission is authorized to force collection of such sum by an action at law in the name of said commission. ('15 c. 152 § 9, amended '19 c. 183 § 1)

**5295. Connections between telephone companies not to be discontinued without order from commission**—Whenever public convenience requires the same, every telephone company shall, for a reasonable compensation, permit a physical connection or connections to be made, and telephone service to be furnished between any telephone exchange system operated by it, and the telephone toll line or lines operated by another company, or between its telephone toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another company, whenever such physical connection or connections are practicable and will not result in irreparable injury to the telephone system so compelled to be connected. The term "physical connection" as used in this section, shall mean such number of trunk lines or complete wire circuits and connections as may be required to furnish reasonable and adequate service between such telephone lines and exchanges and shall not be deemed to provide for any connection whereby one line or circuit is to be bridged upon another line or circuit. In case of failure of the telephone companies concerned to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the commission for an order requiring such connection and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the commission shall find that such physical connections will not result in irreparable injury to such telephone properties, it shall by order direct that such connections be made, and prescribe reasonable conditions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid. Whenever application is made to the commission requesting physical connection it shall be presumed that such connection is necessary, and that the public convenience will be promoted thereby, and the burden of overcoming such presumption shall be upon the part resisting such application. The telephone companies so connecting shall give service over the connecting line or lines without preference to or discrimination against any service or telephone company whatever.

Wherever a physical connection or connections exist between any telephone exchange system operated by a telephone company and the toll line or lines operated by another telephone company or between its toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another telephone company, neither of said companies shall cause such connection to be severed or the service between said companies to be discontinued without first obtaining an order from the commission upon an application for permission to discontinue such physical connection. Upon the filing of an application for discontinuance of such a connection, the commission shall investigate and ascertain whether

public convenience requires the continuance of such physical connection, and if the commission so finds, shall fix the compensation, terms and conditions of the continuance of said physical connection and service between said telephone companies. ('15 c. 152 § 10, amended '19 c. 183 § 2)

**5296. Telephone companies required to permit physical connection**—Whenever public convenience requires the same, every telephone company operating an exchange in any city or village shall for a reasonable compensation permit a physical connection or connections to be made and telephone service to be furnished between any telephone exchange system operated by it and the telephone line or lines owned and operated by another telephone company, serving rural subscribers located within a territory reasonably tributary to and outside of the corporate limits of the city or village in which said telephone company is operating an exchange, whenever such physical connection or connections are practicable and will not result in irreparable injury to the telephone system so compelled to be connected. The term "physical connection" as used in this section shall mean such number of complete wire circuits and connections as may be required to furnish reasonable and adequate service between such telephone lines and exchanges. In case of failure of the telephone companies concerned to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the commission for an order requiring such connection and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the commission shall find that such physical connections will not result in irreparable injury to such telephone properties, it shall by order direct that such connections be made, and prescribe reasonable conditions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid; provided, however, that the public convenience shall not be deemed to demand a connection between an exchange and any rural telephone line where by existing connections or telephone lines, adequate service is already furnished or available to the inhabitants of the territory affected. The telephone companies so connecting shall give service over the connecting line or lines without preference to or discrimination against any service or telephone company whatever. ('21 c. 354 § 1)

**5297. Free or reduced rates to officers, etc.**—A telephone company may furnish service free or at reduced rates to its officers, agents or employees in furtherance of their employment, but it shall charge full schedule rates without discrimination for all other services. Provided that nothing herein shall release any telephone company from carrying out any contract now existing between it and any municipality for the furnishing of any service free or at reduced rates. Provided further that any contract for telephone service, at discriminatory rates, other than those with municipalities, shall be terminated by the company as soon as the same becomes terminable by its terms or if the company has the option to terminate such contract, said option shall be exercised and the contract terminated within three months after the passage of this act. ('15 c. 152 § 11)

138-285, 164+991.

**5298. Commission given power to delegate authority to employes**—The commission shall, whenever it deems the same necessary, determine the value of all the property of any telephone company devoted to the

public use, and in so doing it shall, after notice to the telephone company, hold such public hearing as will give all interested parties a chance to furnish evidence and be heard. For the purpose of this act the commission is authorized to appoint engineers, examiners, experts, clerks, accountants and other assistants as it may deem necessary at such rates of compensation as it may prescribe.

In the discharge of their duties such appointees shall have every power, of any inquisitorial nature granted in this act to the commission. The commission may conduct any number of investigations contemporaneously through its individual members or appointees, and may delegate to its individual members and employes the taking of all testimony on any investigation or hearing. ('15 c. 152 § 12, amended '19 c. 183 § 3).

165-268, 206+396.

**5299. Telephone lines and exchanges—Powers of commission**—For the purpose of bringing about uniformity of practice, the commission shall have the exclusive right to grant authority to any telephone company to construct telephone lines or exchanges for furnishing local service to subscribers in any municipality of this state, and to prescribe the terms and conditions upon which construction may be carried on, and whenever the commission grants such authority, it shall be in the form of a permit of indeterminate duration—coupled with the right to the municipality to purchase the telephone plant within the city, as hereinafter provided. No lines or equipment shall be constructed or installed for the purpose of furnishing local rural or toll telephone service to the inhabitants or telephone users in any locality in this state, where there is then in operation in the locality or territory affected thereby another telephone company already furnishing such service, without first securing from the commission a declaration, after a public hearing, that public convenience requires such proposed telephone lines or equipment; but the governing body of any municipality shall have the same powers of regulation which it now possesses with reference to the location of poles and wires so as to prevent any interference with the safe and convenient use of streets and alleys by the public. ('15, c. 152, § 13; amended '25, c. 184, § 1)

138-285, 164+991.

**5300. Extension of long distance lines**—Any telephone company may extend its long-distance lines into or through any city or village of this state for the furnishing of long-distance service only, subject to the regulation of the governing body of such village or city relative to the location of the poles and wires and the preserving of the safe and convenient use of such streets and alleys to the public, provided that if such lines are to furnish service between communities or localities then served by another company, a certificate of public convenience must first be obtained as required by the preceding section. ('15, c. 152, § 14; amended '25, c. 184, § 2)

**5301. Surrendering of license and securing of new authority**—Any telephone company operating under any existing license, permit or franchise or which shall hereafter before the taking effect of this act, acquire any license, permit or franchise, may, upon filing with the clerk of the municipality which granted such franchise, a written declaration that it surrenders such license, permit or franchise, receive in lieu thereof, an indeterminate permit as defined in this act; and such telephone company shall thereafter hold such permit

under all the terms, conditions and limitations of this act. The filing of such declaration shall be deemed a waiver by such telephone company of the right to insist upon the fulfillment by any municipality of any contract theretofore entered into relating to any rate, charge or service made subject to regulation by this act. Upon filing such written declaration by the telephone company, the clerk of the municipality shall file with the commission a certificate showing that fact and the date thereof, and thereupon it shall receive an indeterminate permit from the commission conferring the same rights as if originally granted under this act. ('15 c. 152 § 15)

Declaration of surrender (138-281, 164+989).

**5302. Municipalities given right to operate telephone exchanges**—Any municipality shall have the right to own and operate a telephone exchange within its own borders, subject to the provisions of this act, and it may construct such plant, or purchase an existing plant by agreement with the owner, or where it cannot agree with the owner on price, it may acquire an existing plant by condemnation as hereinafter provided, but in no case shall a municipality construct or purchase such a plant or proceed to acquire an existing plant by condemnation until such action by it is authorized by a majority of the electors voting upon the proposition at a general election or a special election called for that purpose, and if the proposal is to construct a new exchange where an exchange already exists, it shall not be authorized to do so unless sixty-five (65%) per cent of those voting thereon vote in favor of the undertaking. ('15 c. 152 § 16)

**5303. Notice to commission and procedure**—When a municipality decides in the manner above provided to acquire an existing plant by condemnation it shall give notice to the commission whose duty it shall be thereupon to determine the just compensation which the owner of the plant is entitled to receive therefor from said municipality. Before deciding upon such compensation said commission shall at a public meeting which may be adjourned from time to time hear all interested parties on the question involved. The commission shall by order fix the compensation and furnish a copy of its order to the municipality, and to the telephone company concerned. An appeal may be taken to the district court of the county wherein such plant is situated from that part of the order fixing the compensation to be paid, within thirty days, by either party, which appeal shall be tried the same as other appeals hereunder; if no such appeal is taken the order of the commission shall become final at the end of thirty days, and when appeal is taken the decision of the district court or of the supreme court if taken there from the district court shall be final. ('15 c. 152 § 17)

**5304. Valuation of telephone property**—In determining the value of any telephone property for rate making purposes, no valuation shall be allowed upon the value of any franchise granted by the state or any municipality where no payment was or is being made to the state or municipality on account thereof. The requirement as to reasonableness of rates shall apply to each exchange unit as well as to telephone plants as a whole. No telephone rates or charges shall be allowed or approved by the commission under any circumstances, which are inadequate and which are intended to or naturally tend to destroy competition or produce a monopoly in telephone service in the locality affected. ('15 c. 152 § 18)

The statute placing telephone companies under the supervision of the Railroad and Warehouse Commission

gives the Commission power to fix reasonable rates for particular localities without making a state-wide adjustment of rates. 164-279, 204+873.

**5305. Commission given right to change annual depreciation charge**—The commission may fix and from time to time change the annual depreciation charge which shall be made by each telephone company which charge shall be sufficient to provide the amounts required over and above the expense of current maintenance, to keep its property in a state of efficiency corresponding to the needs and progress of the industry. Such depreciation fund shall be carried in a separate account and moneys in this fund may be invested and the income thereof returned to such depreciation fund or said moneys may be expended in renewals or in new construction. ('15 c. 152 § 19)

**5306. Companies given right to purchase property of other companies with consent of commission**—It shall be unlawful for any telephone company subject to the provisions of this act to purchase or acquire the property, capital stock, bonds, securities or other obligations, or the franchises, rights, privileges and immunities of any other telephone company doing business within the state without first obtaining the consent of the commission thereto, and telephone companies are hereby given the right with the consent of the commission to purchase and acquire the property, capital stock, bonds, securities or other obligations together with all franchises, rights, privileges and immunities owned or enjoyed by said companies. The owner and the proposed purchaser of said property shall both join in the application filed with the commission for the approval of such transfer, and in the case of a corporation desiring to sell all of its property it shall require a vote of a majority of its stockholders to ratify the same. Provided, however, that telephone companies may sell and dispose of any property not used by said telephone companies in the conduct of their business at the time of the sale without the consent of the commission.

Nothing herein shall be deemed to prevent the holding of stock heretofore lawfully acquired or to prevent the acquisition of additional stock by any telephone company owning a majority of the stock of any telephone company. ('15 c. 152 § 20, amended '19 c. 183 § 4)

**5307. Expense of furnishing transcribed copy of records**—A full and complete record shall be kept by the commission of all proceedings had before it upon any formal investigation or hearing and all testimony received or offered shall be taken down by the stenographer appointed by the commission and a transcribed copy of such record shall be furnished to any party to such investigation upon the payment of the expense of furnishing said transcribed copy.

Whenever an appeal is taken from any order of the commission under the provisions of this act, the commission shall forthwith cause a certified transcript of all proceedings had, of all pleadings and files, and all testimony taken or offered before it upon which such order was based, showing particularly what, if any evidence, offered was excluded, to be made and filed with the clerk of the district court where such appeal is pending. ('15 c. 152 § 21, amended '19 c. 183 § 5)

**5308. Mode of procedure for appeals from decisions of commission**—Any party to a proceeding before the commission or the attorney-general may make and perfect an appeal from such order as provided in Sections 1971-1972, Revised Laws of 1905, and acts amendatory thereof.

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Upon such appeal being so perfected it may be brought on for trial at any time by either party upon ten days' notice to the other and shall then be tried by the court without the intervention of a jury, and shall be determined upon the pleadings, evidence and exhibits introduced before the commission and so certified by it. At such trial the findings of fact made by the commission shall be prima facie evidence of the matters therein stated, and said order shall be deemed prima facie reasonable, and if the court finds that the order appealed from is unjust, unreasonable and not supported by the evidence, it shall make such order to take the place of the order appealed from as is justified by the record before it. If the court finds from an examination of the record that the commission erroneously rejected evidence which should have been admitted, it shall remand the proceedings to the commission with instructions to receive such evidence so rejected and any rebutting evidence and make new findings and return the same to the court for further proceedings. In such case the commission after notice to the parties in interest shall proceed to rehear the matter in controversy, and shall receive such wrongfully rejected evidence and any rebutting evidence offered and shall make new findings as upon the original hearing and shall transmit the same and such new record, properly certified, to the court wherein said appeal is pending, whereupon said matter shall be again considered in said court in the same manner as in an original appeal. Either party may appeal to the supreme court from the judgment of the district court, as in other civil actions except that the appeal must be taken within thirty days from the date of notice of the entry of such judgment.

Where an appeal is taken to the supreme court the appellant shall cause a return to be made to said court within thirty days from the date of appeal, otherwise said appeal shall be deemed abandoned and may be dismissed upon motion of the respondent. When said return on said appeal is received by the clerk of the supreme court, said cause shall be placed on the calendar of the term then pending, or if none is then pending, then of the one next ensuing and it shall be assigned and brought on for hearing as other causes on such calendar. ('15 c. 152 § 22)

For R. L. '05, §§ 1971, 1972, see supra, §§ 4650, 4651.

The order of the Commission is presumed to be reasonable and is sustained by the record 164-279, 204+873.

Appeal from order of commission by "party to proceeding" (146-247, 173+604; 274 Fed. 384).

**5309. Order to be final and conclusive**—If no appeal is taken from any order of the commission as above provided, then in all litigation thereafter arising between the state and any telephone company or between private parties and any telephone company, the said order shall be deemed final and conclusive. ('15 c. 152 § 23)

Order of commission, no appeal taken is final and not subject to attack or review on mandamus (141-125, 169+480).

**5310. Violation a gross misdemeanor**—That section 24, chapter 152, General Laws 1915, be amended to read as follows:

Any telephone company, and if it be a corporation, the officers thereof, violating any provisions of this act shall be guilty of a gross misdemeanor. ('15 c. 152 § 24, amended '19 c. 183 § 6)

**5311. Attorney General to apply for writ compelling obedience**—Whenever any telephone company fails to comply with any law of the state or any order of the commission after it has become final, or any order or

judgment of the district court or the supreme court in any cases taken to the said courts or either of them on appeal, after such judgment or order has become final, it shall be the duty of the attorney general to apply to the district court in the name of the state in any county in which the plant of said telephone company or any part thereof is situated, for a mandatory injunction or other appropriate writ to compel obedience to said law, order or judgment, and the district court shall punish any disobedience of its orders in such enforcement proceedings as for contempt of court. ('15 c. 152 § 25)

141-125, 169+480; 146-247, 173+604; 148-219, 181+333; 274 Fed. 384.

**5312. Town boards may construct telephone systems for fire protection**—For the purpose of preventing the starting and spreading of forest or prairie fires and extinguishing the same, promoting public welfare, public health and public safety, and facilitating the work of public improvements, the electors of any organized town of this state shall have power, at their annual town meeting or at any special town meeting called in the manner provided by law for special town meetings, to authorize the town to construct, or otherwise acquire and to operate and maintain a township telephone system, including the necessary poles, wires, telephones and telephone equipment, and by itself or in conjunction with one or more other towns to construct, equip, acquire, operate and maintain a local telephone exchange, or one or more trunk lines of wires connecting such town or towns with said local exchange, or with a local exchange owned by some other corporation, person or persons, and to determine by ballot the amount of money to be raised for the purposes aforesaid; provided, however, that no such local exchange as herein provided for shall be constructed or maintained in municipalities where a local exchange is already in operation. ('21 c. 439 § 1)

**5313. Town telephone lines outside corporate limits**—For the purpose of carrying out the provisions of Section 1 of this act, any town may, by itself or in conjunction with one or more other towns, construct, maintain, acquire, own or lease telephone lines, telephone equipment or a local exchange, outside the corporate limits of such town; provided, however, that the authority herein granted to any town to acquire, construct or maintain, by itself, lines outside of its corporate limits shall be solely for the purpose of connecting telephones inside its corporate limits with a telephone exchange or switching center outside its corporate limits. Provided, further, that the railroad and warehouse commission may order any service to be extended across any township line to any person or concern adjacent thereto, whenever in the judgment of the commission such person or concern is entitled to telephone service and the same cannot be reasonably required of any other telephone company. ('21, c. 439, § 2; amended '27, c. 193, § 1)

**5314. Tax levy for construction**—Whenever any town shall have authorized the construction, acquiring operation or maintenance of a telephone system as set forth in Sections 1 and 2 of this act, and determined the amount of money to be raised for that purpose, the town board of supervisors may levy a tax for the amount of money to be raised therefor, provided, however, that the annual tax levy for such purpose shall not exceed five mills upon the taxable property of such town. ('21 c. 439 § 3)

**5315. Town meetings and town boards to fix rentals**—The electors of such town shall have power at their

annual town meeting or at any special meeting, to determine, and in case the electors fail so to do, the town board of supervisors shall determine, the manner of payment of rentals and charges to be paid per phone for operating and local exchange service and such charges and all tolls payable by the users of such township system shall in the first instance be collected by the town board or under its direction, provided, however, that any local exchange may, by agreement with any town board of supervisors, collect the long distance tolls directly from said users, and provided, further, that no such township shall be subjected to or liable for any gross earnings or other tax by reason of moneys collected or property owned by it for such township telephone system. In case of the failure on the part of any user to pay such charges or tolls in the manner so provided, the town board may institute an action at law to collect such charges or tolls in arrears, and may also discontinue telephone service to such user, until all charges and tolls in arrears, the court costs, if any, taxed and allowed in an action to collect such arrears, and the reasonable cost of disconnecting the telephone from the general service, and reconnecting the same shall have been paid. ('21 c. 439 § 4)

**5316. Town may sell bonds to construct**—For the purpose of constructing, acquiring, operating or maintaining a township telephone system or local exchange as in this act provided, any organized town of this state is hereby authorized to issue and sell its bonds in the same manner and under the same procedure and within the same limitations as provided by law for the issuance and sale of township road and bridge bonds, and the board of supervisors and their successors are hereby authorized to levy and in due form certify to the auditor of the county in which such town is situated, a tax upon the taxable property of said town to provide for the payment of installments of principal and interest as they mature, in the manner provided in the case of township road and bridge bonds. ('21 c. 439 § 5)

**5317. Local exchanges shall permit connection**—Whenever public convenience requires the same, every local telephone exchange shall for a reasonable compensation permit a physical connection or connections to be made and telephone service to be furnished between such local telephone exchange system and township telephone system. In case of failure of the local telephone exchange to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the Railroad and Warehouse Commission of this State for an order requiring such connection, and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the said commission shall find that such physical connections will not result in irreparable injury to such telephone properties, it shall by order direct such connections to be made and prescribe reasonable condi-

tions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid. Whenever application is made to said commission requesting physical connection, it shall be presumed that such connection is necessary and that the public convenience will be promoted thereby, and the burden of overcoming such presumption shall be upon the party resisting such application. ('21 c. 439 § 6)

**5318. Private owners may sell to township—Railroad and Warehouse Commission to fix value**—When, under the provisions of this act, a township telephone system shall be established in any township wherein any of the inhabitants of such town are already provided with telephone service furnished by any other telephone company, person or persons, such township shall, when so requested by said telephone company, person or persons, acquire from said telephone company all telephone equipment used by said telephone company, person or persons, in furnishing telephone service to the inhabitants of such township exclusively. For the purpose of determining the purchase price of such equipment application shall be made to the State Railroad and Warehouse Commission whose duty it shall be thereupon to determine the just compensation which the owner of such telephone equipment is entitled to receive therefor from the township. Before deciding upon such compensation, said commission shall at a public meeting which may be adjourned from time to time hear all interested parties on the question involved. The commission shall by order fix the compensation and furnish a copy of its order to the township, and to the telephone company, person or persons concerned. An appeal may be taken to the district court of the county wherein such township is situated from that part of the order fixing the compensation to be paid, within thirty days, by either party, which appeal shall be tried the same as other appeals hereunder; if no such appeal is taken the order of the commission shall become final at the end of thirty days, and when appeal is taken the decision of the district court or of the supreme court if taken there from the district court shall be final. ('21 c. 439 § 7)

**5319. Town boards to manage**—The Board of Supervisors of any such township is hereby vested with all necessary authority to manage, maintain and operate any township telephone system constructed under the provisions of this Act, and, to that end, may, among other things, contract for the connection of such township lines with exchanges owned by others for switching, local exchange and toll connections, hire and discharge such employees as may be necessary to operate and maintain such township system, establish rules and regulations, and, subject to the approval of the Railroad and Warehouse Commission establish and from time to time change rates and charges, covering the service furnished to the users. ('21 c. 439 § 8)