



League of Women Voters of Minnesota Records

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June 27, 1955

Dear Stella:

C
O
P
Y
I can imagine you have had numerous requests to do extra jobs now, and I don't like to add to them, because I know how you have been looking forward to a little leisure time - or doing other things besides League, but this one shouldn't be too hard on you: I am wondering if you would be willing to write the material on the iron ore tax amendment in response to the request of the Convention.

It need not be the comprehensive thing we would do for a current agenda study item, but just something to give a picture of what it's about. You have a great deal of knowledge on the subject and would be in a position to get additional material, and it would not need to be ready before the early part of next year.

I would be so grateful if you could.

Sincerely, and with best wishes,

Ethyl Young

John Sally Luther

SOME QUESTIONS AND ANSWERS ON PROPOSED AMENDMENT NUMBER THREE

THE AMENDMENT: In November, 1956, the people of Minnesota will vote on the following proposal:

"Shall section 1A of Article IX of the constitution of the state of Minnesota be so amended that the third sentence thereof shall read as follows:

"Funds derived from the tax herein provided for shall be used as follows: 50 percent to the state general revenue fund, 40 percent to a fund for the support of elementary and secondary schools, and ten percent for the general support of the University?

Yes _____ No _____"

Q: How do we use this tax money now?

A: Iron ore tax receipts are now divided equally between the state's general funds and the permanent trust funds. Under the constitution as it now reads 50 percent goes to the state general revenue fund for current expenses, 40 percent goes to the permanent school fund and ten percent to the permanent university fund. Only the interest accrued annually by the school and university funds is available. The principal remains in permanent trust.

Q: What will the proposed amendment change?

Instead of being paid into the permanent trust funds,

A: /Future iron ore tax receipts would be applied directly to current expenses of schools and university in the same percentage ratio: 40 percent and ten percent.

Q: Would passage of the amendment mean a reduction in the present permanent school fund?

A: No. The present permanent school fund totals \$200,904,659. The permanent university fund totals \$39,545,672. These balances would not be touched.

Q: Would passage of the amendment ~~mean~~ stop the growth of these trust funds?

A: No. Money comes into these funds from other sources -- rent and royalties from state-owned lands; money from sale of such lands; money from sale of timber rights. These other sources will continue to build the fund by \$2,800,000 per year for the next 20 years, and at the rate of \$800,000 per year for the next succeeding 30 years. These estimates are based on presently known ore reserves which in the past have consistently proved to be conservative.

Q: How much money will be made available ~~annually~~ if the amendment passes?

A: \$8,000,000 per year for schools; \$2,000,000 for the university. These figures are based on present and anticipated shipments of iron ore and on present tax rates. Could

Q: // ~~Can~~ the legislature use this money for ~~anything~~ something other than schools and university?

A: No. The amendment does not alter the dedication principle. The amendment poses this question: Shall iron ore tax revenue be used for current school needs or shall only the interest be used?

Q: Wasn't the permanent school fund set up by our founding fathers at the time Minnesota became a state?

A: Yes. But it did not include iron ore tax receipts. This happened in 1922. Before that time iron ore taxes were used for current state costs. The proposed amendment does not destroy the permanent school trust fund.

Q: Isn't iron ore considered a dwindling resource. Will one generation use it without thought for future generations?

A: The development of taconite insures continuing iron ore shipments for at least several centuries. Furthermore, future educational needs are best met with increased ^{earn}ing capacities and productivity. We can help insure an expanding economy by providing better schools now.

the
Q: How do we use/trust funds now?

A: We invest the money under state supervision. Whatever interest is earned each year is distributed to all school districts on a per pupil basis.

Q: How much money per pupil was distributed last year?

A: In the school year of 1954, \$8.18 was distributed per pupil, measured against gross enrollment. That totalled \$4,702,556. All other state money distributed to school districts totalled \$66,130,192. Interest from the permanent school fund provided seven percent of the total state cost of education. It is interesting to note the following comparisons:

	Permanent school fund earnings per child pupil	Total educa- costs per pupil	Percent of <u>total</u> cost paid by fund earnings	Percent of <u>state</u> education costs paid by fund earnings
1930	\$4.25	\$ 99.	4.3%	25%
1940	\$4.75	\$110.	4.3%	14%
1950	\$6.52	\$246.	2.7%	8%
1954	\$8.18	\$399.	2.1%	7%

Q: If the amendment passes, what percentage of the total cost of educating Minnesota school children will be paid by the interest earned by the permanent school fund in, say, 1965?

A: 1.47%

Q: If the amendment does not pass, what will the percentage be?

A: 1.93%. Whether the amendment passes or not the importance of the earnings from the permanent school fund will continue to diminish.

Q: Why are the earnings from the trust fund playing such a small role in financing our schools? Three reasons: inflation, lower interest rates, and increased school population. Since 1900 the cost of living has risen 245% percent. In 1900 the trust funds ^{earn}ing at a rate of 5.2 percent -- in 1955 they earned at a rate of 2.5 percent, a decline of over 50 percent. Since 1900 school population has increased 49 percent and greatly expanded school programs have increased the cost of education per child.

Q: Who borrows from the trust funds?

A: Some Minnesota school districts, but they are severely limited in the amount they can borrow by another provision of the constitution. However, other states may borrow from our funds and in turn lend money for building programs to their own school districts because their laws are not as severely limited as our own.

Q: Can't we improve our lending policies to make money more readily available for loan to our own school districts?

A: A constitutional amendment is required. One was defeated in 1952.

Q: If the proposed amendment passes, what are the chances that the legislature would place the released money in a fund to loan at low interest rates to school districts for building purposes?

A: There is nothing in the amendment to prevent this. Actually, how the next legislature appropriates money to meet school needs depends largely on public opinion.

Q: If the amendment passes are we opening the door to the legislature to distribute the released money by some other method than the tried and proven distribution on a per pupil basis to every school district in the state?

A: Present distribution of the interest from the permanent school fund is based on legislative action. There is no more reason to assume the legislature will change the method of distribution if the amendment passes than if it does not pass.

Q: If this amendment fails is it likely that a similar one will be presented in 1958?

A: Yes. But it might be different. There is considerable feeling that the amendment should not contain a clause dedicating the released money to schools and the university. The proposal to dedicate the money for education, as contrasted to releasing it entirely to legislative discretion, passed in the senate ~~with a one vote margin~~ with only a one vote margin. Thus it is possible that if this amendment is defeated, it will be put to the people again in 1958 without the provision to dedicate the released money for education.

Q: If the amendment passes is it likely that the legislature will use the released \$8,000,000 annually to balance the education budget and divert an equal amount out of the income tax revenues for other, non-education purposes?

A: This would be unlikely if the people had already registered their approval of the principles involved in the amendment by giving it a 60 percent vote (as is required to pass a constitutional amendment). It is also unlikely because the money will be needed to maintain current school aid levels. Still, diversion of income tax revenues for non-elementary and secondary school purposes has occurred before and only the aroused voice of the electorate can determine how legislators will act again.

Q: Are costs of education going to continue to rise?

A: A study by the National Citizens Commission for Public Schools shows that the number of school children will increase by one third over the next decade. Costs per child are estimated to rise by 15 to 55 percent.

Q: Just what will be spent by the state for education in this biennium?

A: A total of \$150 million. Approximately \$30 million of this will come from the unused balance which accumulated as a result of increased income tax revenues. It is estimated there will be only a small balance when the legislature meets in 1957. If

present aids are to be continued, up to \$30 million in new money will have to be provided for. It is further estimated that increasing enrollments will automatically require \$8 million more, although part of the cost of additional enrollment will be offset by increased income tax receipts.

Thus, the 1957 legislature will be faced with several alternatives: It⁴ may cut back the present aid program; it may continue the present aid program by increasing taxes; it may determine current aid program is not adequate and increase the aids and the corresponding amount of taxes needed to do so.

Q: Isn't it true that the passage of this amendment will provide only a \$16 million answer to what will be a larger question?

A: Yes. Passage of this amendment is not the whole answer. But \$16 million is a substantial portion of the new money that will be needed. Other answers, both immediate and long ~~range~~ range, including the "withholding" method of collecting income taxes, are being studied.

Q: Aren't school enrollments today almost the same as they were ~~then~~ when this amendment to add iron ore revenue to the permanent school fund was passed in 1922? Why the sudden demand for change?

A: Gross enrollment in 1922 was 540,843. Gross enrollment in 1955 was 593,994. An estimate based on the National Citizens' Commission report puts Minnesota gross enrollment in 1965 at 750,000. To this we must add the fact that children are ~~now~~ now staying in school longer; more are completing high school; and the type of education we now offer is greatly expanded and hence more expensive.

Dear Mrs Gale

I am enclosing a copy of the material on Amendment No. 3 which we spoke of. I hope you will use it in any ~~anyway~~ way you see fit. The statistics are from the department of education (state). Please send me a copy of whatever material your organization prepares on this ~~main~~ amendment. Thanks.

Sally Luther

Sally L.

PERMANENT SCHOOL FUND ANALYSIS

1			1	2	2	2	2	7	8		
School Fund Accumulation			Total Earnings & Percent Earnings	Gross No. of Pupils Enrolled	School Fund Earnings Per Child	Per Child Cost - All Sources	% of child cost from school fund earnings	State Contrib. to total Ed. costs	% of State Contrib. from School Fund	Cost of living Index	Total income payments to individuals living in Minnesota
1900	Lands	\$12,546,529	\$658,256 5.2%	399,207	\$1.65	\$14.00	11.8%	\$1,296,459.	51%	100	
1910	Lands	\$21,002,571	765,046 3.6%	440,083	1.74	31.00	5.6%	2,773,540.	27%	118	
1920	Lands	\$30,920,032	1,338,711 4.3%	503,597	2.66	76.00	3.5%	5,800,036	23%	257	
1930	Lands	\$49,687,740 - 84.8%	2,345,732 4%	551,741	4.25	99.00	4.3%	9,506,607	25%	214	1443 million (1929)
	Ore Tax	8,891,068 - 15.2%									
1940	Lands	\$61,244,257 - 75.9%	2,524,248 3.1%	531,781	4.75	110.00	4.3%	17,756,100	14%	180	1424 million
	Ore Tax	19,320,937 - 24.1%									
1950	Lands	\$94,798,426 - 64.1%	3,333,352 2.3%	510,517	6.52	246.00	2.7%	42,299,693	8%	308	3995 million
	Ore Tax	53,145,023 - 35.9%									
1954	Lands	\$104,980,225 - 54.5%	4,702,556 2.4%	575,234	8.18	399.00	2.1%	66,130,192	7%	345	4724 million (1953)
	Ore Tax	87,617,100 - 45.5%									
1955	Lands	\$107,282,688 - 53.4%	5,119,003 2.5%	593,994	8.62						
	Ore Tax	93,621,991 - 46.6%									
If Amendment passes											
1965	Lands	\$128,000,000 - 56%	5,725,000 2.5%	750,000	7.67	520.00	1.47%				6802 million
	Ore Tax	101,000,000 - 44%									
If Amendment fails											
	Lands	\$128,000,000 - 43%	7,525,000 2.5%	750,000	10.06	520.00	1.93%				6802 million
	Ore Tax	173,000,000 - 57%									

See next page for footnotes

FOOTNOTES

1. Reports of State Auditor.
2. From "Trends in Minnesota Education" - Minn. Dept. of Ed. (March 1955)
3. Assumes \$2 million per year from state owned lands after July 1956; amendment effective Nov. 1956
4. Assumes \$8 million per year from iron ore tax; \$2 million per year from state owned lands.
5. Estimate one-third increase in enrollment in 1965 over 1954 from "Financing Public Education in the Decade Ahead" published by Nat'l Cit. Commission for Pub. Schools Dec. 1954
6. Estimate rise in school costs in 1965 of 15% to 55%; 30% used in these calculations (from "Financing Public Education in the Decade Ahead")
7. Compiled from index published by Dept. of Ag. and Dept. of Labor back to 1909; from 1909 to 1900 from index computed by Fed. Res. Bank of N.Y. with appropriate conversions. (Historical Statistics of U.S. - Suppl. to Stat. Abstract - Dept. of Commerce)
8. Dept. of Commerce "Survey of Current Business" August 1954, and "Thirty Years of Taxation in Minnesota", Special Research report No. 14, April, 1950.
9. 44% increase in gross national product estimated from 1953 to 1965 - from "Financing Public Education in the Decade Ahead"

TABLE I
PERMANENT SCHOOL TRUST FUND

<u>Item</u>	<u>Paid in Fiscal 1954</u>	<u>Total Paid in Since Trust Fund Began in 1923</u>
Sale of Land, Right of Ways	\$ 131,000	\$ 14,247,000
Sale of Timber, etc.,	104,000	12,268,000
Royalty on Iron Ore	2,098,000	74,255,000
Occupation Tax on Iron Ore	11,034,000	87,617,000
Miscellaneous	79,000	2,674,000
TOTALS	\$13,446,000	\$191,061,000

TABLE II
OCCUPATION TAX ON IRON ORE

<u>Year</u>	<u>To General Revenue Fund</u>	<u>To Permanent School Trust Fund</u>	<u>To Permanent University Trust Fund</u>	<u>Total Amount Collected</u>
1951	\$ 8,556,000	\$ 6,844,000	\$1,711,000	\$17,111,000
1952	11,999,000	9,599,000	2,400,000	23,997,000
1953	9,422,000	7,538,000	1,884,000	18,844,000
1954	13,791,000	11,033,000	2,758,000	27,582,000

NOTE: Amounts have been figured in round numbers.

TABLE III

TYPICAL MINNESOTA INCOME TAX COLLECTIONS

<u>Fiscal Year</u>	<u>Amount Collected</u>
1934	\$ 1,194,000
1937	5,568,000
1940	11,108,000
1943	21,337,000
1946	22,334,000
1949	49,340,000
1951	53,011,000
1952	57,738,000
1953	54,017,000
1954 Est.	60,000,000

Most of these taxes collected have gone to the schools immediately upon collection; however, some surplus resulted accounting for the balances in this fund as shown in Table IV.

This tax accounts for approximately 25-30% of the total income of the school districts as for example:

1952	Total Income	\$215,582,000
	From Income Tax	51,715,000
	% From Income Tax	25.0

The remaining school district income comes from local property taxes (with some federal aid, interest from school trust fund, etc.).

TABLE IV
INCOME TAX FUND
(Dedicated to School Use)

Balance Left in Fund at Beginning of Fiscal Years

July 1, 1952	Balance	\$68,741,000
July 1, 1953	Balance	65,244,000
July 1, 1954	Balance	52,347,000
July 1, 1955	Approximate Balance	30,000,000
July 1, 1956	Estimated Balance	15,000,000
July 1, 1957	Estimated Balance	0

TABLE V
CONTRIBUTION OF TWIN CITY AREAS TO INCOME TAX -- 1953

	<u>Amount Paid in Tax</u>	<u>Amount Returned for Schools</u>
57 Hennepin County	\$20,556,000	\$8,717,000
97 Ramsey County	10,037,000	3,938,000

Amend. file

August 8, 1955

Mr. Samuel Gale
540 McKnight Bldg.
Minneapolis 1, Minnesota

Dear Mr. Gale:

Thank you so much for your letter of July 6th seconding Dr. Morrill's invitation to be a Minnesota delegate at the Four-State Convention at Douglas Lodge next month. It was very thoughtful and kind of you, and I appreciate it very much.

I have accepted the invitation and am looking forward to it.

With kindest regards to you and Stella - and will you thank her for me for agreeing to do some research on the iron ore tax amendment.

Sincerely,

Mrs. Basil Young

Ideal Bond

RAG CONTENT

Amend. file

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RAG CONTENT

LARSON, LOEVINGER, LINDQUIST, FREEMAN & FRASER

ATTORNEYS AT LAW

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LOUISE A. HEROU
GERALD E. MAGNUSON

MIDLAND BANK BUILDING
MINNEAPOLIS 1, MINNESOTA
TELEPHONE MAIN 8076

September 22, 1955

Mrs. Samuel C. Gale
314 E. Minnehaha Parkway
Minneapolis, Minnesota

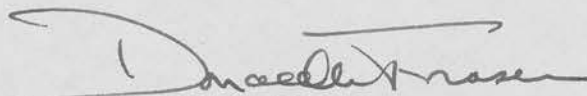
Dear Mrs. Gale:

I understand that you are assembling some material on the proposed constitutional amendment to rededicate the iron ore receipts to current education needs.

I have been trying to gather information on the same topic. I would appreciate it if it might be convenient for you to let me have a copy of whatever findings or results you obtain.

I am enclosing several copies of a fact sheet which we prepared for the coordinating council on education. It is this fact sheet which I would like to see amplified and perhaps corrected where necessary.

Sincerely,


Donald M. Fraser

f/l-enc.

also fully

September 8, 1955

To the State Coordinating Committee on Education:

Pursuant to your request I am attaching hereto the following:

- (a) Statement on the proposed constitutional amendment to free the iron ore tax for current school needs.
- (b) A statement of the Permanent School Fund growth with comparative statistics.
- (c) A copy of the proposed constitutional amendment with the roll-call shown on the following page.

The chart on the Permanent School Fund goes back only to 1900; this is due to the lack of statistics prior to 1900 and the feeling that a study of a half-century should be sufficient to measure the value of the fund.

One of the questions raised about this proposed amendment is the possibility that the legislature will take out of the income tax fund an amount equal to the money which would become available as a result of passage of this amendment, leaving no net gain for the schools.

There are two major reasons why this is unlikely:

(a) The proposal to divert the 40% ore tax to general revenue was urged in the Senate and defeated. The legislature, therefore, has already faced this problem and met it successfully. If the people of this state vote by a 60% majority to adopt this amendment the chance of such an indirect diversion from school funds seems even more remote.

(b) The present rate of expenditure from the special state aid fund indicates that most if not all of the estimated 8 million per year will be required to maintain present school supports.

The political considerations operating at the next session of the legislature are difficult to predict at this time. There is, however, no question but that passage of this amendment will strengthen current school financing. This should certainly be kept in mind when considering the amendment.

Respectfully submitted,



Donald M. Fraser,
State Senator
29th District

PROPOSAL TO FREE IRON ORE OCCUPATION TAX
FOR CURRENT SCHOOL NEEDS - BACKGROUND

(2)

Proposal

1. In November, 1956, Minnesota voters will decide whether 40% of the future iron ore occupation tax shall be used for current school needs or shall continue to accumulate in the Permanent School Fund. Chapter 6 of the 1955 Special Session Laws provides for submission of such a constitutional amendment. This Act passed the Senate, 51 to 11, and the House 80 to 41. This vote will also determine whether the University shall receive its 10% of the ore tax outright or as an accumulation to the Permanent University Fund.

Beginning
of iron ore
occupation
tax

2. The iron ore occupation tax has been contributing to the Permanent School Fund since November 4, 1922 when an amendment to the constitution specifically authorized the iron ore occupation tax and divided the revenue--50% to general revenue, 40% to the Permanent School Fund, and 10% to the Permanent University Fund. Since 1922 the occupation tax has contributed 93.5 million dollars to the Permanent School Fund. This is 46.6% of the total fund to date. None of the money already contributed to the Permanent School Fund by the iron ore occupation tax would be withdrawn for current school use if the proposed amendment passed. The proposed amendment is only concerned with 40% of the future iron ore occupation tax receipts.

Beginning
of Permanent
School Fund

3. The Permanent School Fund was established in the original state constitution adopted October 13, 1857. The constitution provided that only interest or earnings from the Fund would be used. The principal would always remain intact and grow. By 1857 the state had received 3 million acres of land from the Federal Government for the support of schools and the University. The state constitution stated that the proceeds of such land (and any acquired thereafter) should remain a perpetual school fund with only the earnings of the Fund to be used for school purposes. About one million acres of this original grant still remain unsold. The royalties on this unsold land, the sale of timber rights, and the sale of the 2 million acres of this land have contributed \$107,282,668. to the Permanent School Fund over the past 98 years. Passage of the proposed amendment would not disturb this \$107 million (nor the 93.5 million from the iron ore tax).

Dedication
to schools
not affected

4. The proposed amendment does not take the 40% of the iron ore occupation tax away from schools. Whether the amendment passes or fails, 40% of the iron ore tax will be used exclusively for school purposes. The question to be voted upon is: whether 40% of the iron ore occupation tax money shall be used for current school needs or whether only the interest earned from that 40% shall be used for current school needs.

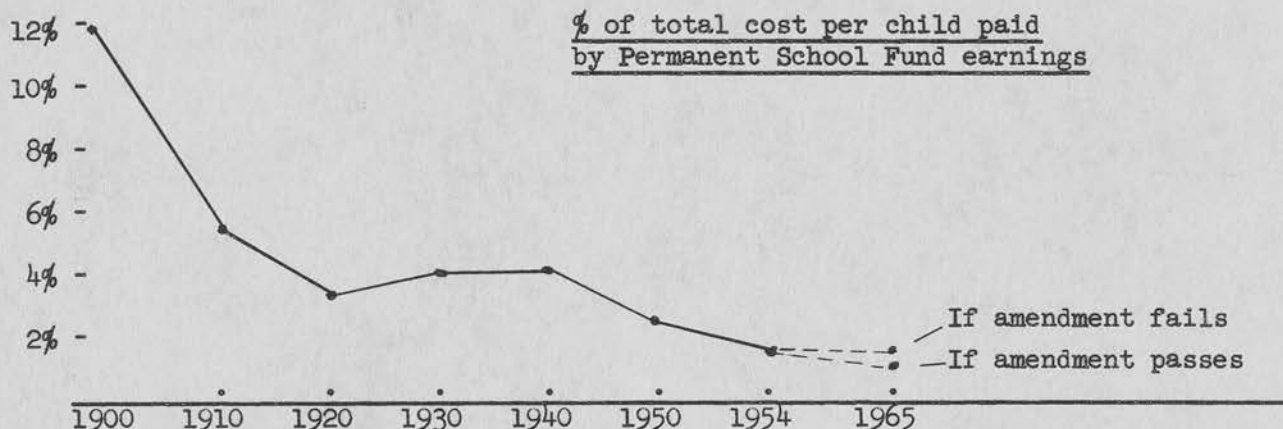
The Permanent School Fund and Minnesota's Economy

Permanent
School Funds
relative
decline as a
source of
funds

1. In 1900 the earnings from the Permanent School Fund contributed 51% of the money paid by the state to local school districts. By 1954 the Permanent School Fund contributed only 7% of the money paid by the state to local school districts.

The diminishing role of the School Fund is also seen when measured against the

total educational cost per child. This is shown on the chart below: 3



If the iron ore tax accumulation is considered separately, the accumulation of 87.6 million in 1954 paid less than 1% of the total cost of educating each child (or about \$3.75 per pupil).

Reasons
for
decline

2. Among the factors that have contributed to the decline in power of the Permanent School Fund are:

- (a) Since 1900 the cost of living has risen by 245%.
- (b) In 1900 the trust funds earned at the rate of 5.2%; in 1955 they earned at the rate of 2.5%, or a decline of over 50%.
- (c) If the two factors of inflation and decline in earning power are brought together, they show that the present dollar earns only one-seventh what the 1900 dollar earned.
- (d) A 49% increase in school population since 1900.
- (e) Greatly expanded school programs which have increased the cost per child from \$14. in 1900 to \$399 in 1954.

Wealth of
State
Growing
Faster Than
Trust Funds

3. The ability of the people of Minnesota to support education has steadily increased - even faster than the Permanent School Funds have grown. From 1929 (which is as far back as figures are available) to 1953 the total income payments to individuals in Minnesota has risen 227%. The earnings from the Permanent School Fund in that time have risen only 90%.

Future of Education with reference to the Permanent School Funds
and the Iron Ore Occupation Tax

Permanent
School Funds
will grow

1. Whether the proposed constitutional amendment passes or not, the Permanent School Fund will continue to grow. The lands now owned by the Permanent School Fund are expected to build this fund at the rate of \$2.8 million per year for

the next 20 years, and at the rate of \$.8 million per year for the next succeeding 30 years. In the year 2005, therefore, the Permanent School Fund will have increased by an estimated 80 million dollars. Mr. Ray Nolan, head of the Division of Lands and Minerals, Dept. of Conservation, states that these estimates are based upon presently known sources of income and are conservative estimates. Approximately 5 billion tons of crude taconite are estimated to lie within Permanent School Fund lands. There is a substantial possibility of other mineral developments on state-owned land, all of which will produce more revenue than presently anticipated.

Iron ore
tax to
continue
into the
foreseeable
future

2. The iron ore occupation tax has contributed an average of \$8 million per year over the last 5 years to the Permanent School Fund. The future of the iron ore tax is uncertain; however, at least one study based on projected steel demands for the U.S. and known sources of iron ore in the U.S. and in foreign countries reveals a continuing shipment of ore (including taconite) of approximately 70 million tons per year for the next quarter century. This is the same level of shipments we have had over the past 5 years. Taconite will gradually replace the higher grade ore. Taconite does not now pay an occupation tax. However, as taconite production becomes more profitable, taconite will begin to pay an occupation tax. There is enough taconite on the range to provide for at least the next several centuries of demand. The argument for a Permanent School Fund to stand in lieu of a diminishing and non-replaceable natural asset does not seem justified.

Fund
Earnings
to fall
further
behind in
next decade

3. A study of the financial needs of education at the end of the next decade has been made by the National Citizens Commission for Public Schools. This study shows that our national income conservatively will increase by 44% over the next decade, and the number of school children will increase by one-third. Costs per child are estimated to rise by 15 to 55 percent. By projecting these figures it can be shown that the power of the Permanent School Fund will continue to decline, so that even if this amendment should fail, the earnings of this fund will contribute less than 2% of the cost per child in 1965.

Best invest-
ment is in
the new
generation

4. Future educational needs must be met from the wealth of the people existing at that time; our best contribution to insure adequate wealth for the people lies in investing our present money in better schools for the next generation.

CONSTITUTIONAL AMENDMENT - OCCUPATION TAX ON MINING
Chapter 6

S.F. No. 3

An Act proposing an amendment to the Constitution of the State of Minnesota, Article IX, section 1A, pertaining to the occupation tax on the business of mining or producing iron ore or other ores in this state and the apportionment and distribution of the proceeds therefrom.

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

Section 1. The following amendment to the Constitution of the State of Minnesota, Article IX, Section 1A, is hereby proposed to the people of the state for their approval or rejection, which section when amended shall read as follows:

Sec. 1A. Every person, co-partnership, company, joint stock company, corporation, or association however or for whatever purpose organized, engaged in the business of mining or producing iron ore or other ores in this state, shall pay to the State of Minnesota an occupation tax on the valuation of all ores mined or produced, which tax shall be in addition to all other taxes provided by law, said tax to be due and payable from such person, co-partnership, company, joint stock company, corporation, or association however or for whatever purpose organized, on May first of the calendar year next following the mining or producing thereof. The valuation of ore for the purpose of determining the amount of tax to be paid shall be ascertained in the manner and method provided by law. Funds derived from the tax herein provided for shall be used as follows: 50 percent to the state general revenue fund, 40 percent for the support of elementary and secondary schools and ten percent for the general support of the university. The legislature shall by law make the necessary provisions for carrying out the provisions of this section.

Sec. 2. This proposed amendment shall be submitted to the people of this state for their approval or rejection at the first general election held after passage of this act, in the manner provided by law for the submission of amendments to the constitution, and the votes thereon shall be counted, canvassed, and the result thereof proclaimed as provided by law. The ballots used at such election shall have printed thereon the following:

"Shall section 1A of Article IX of the Constitution of the State of Minnesota be so amended that the third sentence thereof shall read as follows:

Funds derived from the tax herein provided for shall be used as follows: 50 percent to the state general revenue fund, 40 percent to a fund for the support of elementary and secondary schools, and ten percent for the general support of the university?

Yes _____

No _____ "

Approved April 27, 1955.

Vote on S.F. No. 3 (Special Session 1955)

SENATE

For:

Andersen, E.L.	George	Johnson, J.A.	Miller	Olson	Vadheim
Anderson, M.H.	Gillen	Johnson, R.W.	Mitchell	Peterson	Vukelich
Behmler	Hanson, N.W.	Kalina	Mullin	Quie	Walz
Bonniwell	Hanson, R.	Keller	Murray	Richardson	Wefald
Burdick	Harren	Larson	Novak	Rogers	Welch
Child	Heuer	Malone	O'Brien	Rosenmeier	Westin
Dunlap	Holand	Masek	O'Loughlin	Salmore	Wiseth
Franz	Imm	Mayhood		Schultz	Wright
Fraser	Johnson, C.E.	McKee		Sinclair	

Against:

Anderson, E.J.	Holmquist	Lofvegren	Nelson	Root
Carr	Josefson	Metcalf	Nycklemoe	Wahlstrand
Erickson				

HOUSE

For:

Adams	Eck	Karth	Paskewitz	Volstad
Affeldt	Enestvedt	Kelley	Phillips	Wanvick
Anderson, F.R.	Fitzsimons	Knudsen	Podgorski	Wee
Anderson, G.A.	Franz	Kording	Popovich	Wichterman
Anderson, H.R.	Freeman	LaBrosse	Prifrel	Widstrand
Aune	Fugina	Langen	Reed	Wozniak
Basford	Gallagher	Langley	Rutter	Yetka
Bassett	Goodin	Lindquist	Schultz	Mr. Speaker
Battles	Graba	Lovik	Schwanke	
Bergeson	Grant	Lund (Mrs.)	Shipka	
Berglund	Grittner	Luther (Mrs.)	Shovell	
Biernat	Hagland	Madden, R.R.	Skeate	
Childgren	Halsted	McGill	Skoog	
Christie	Herzog	McGuire	Sorensen	
Cina	Hofstad	McLeod	Sundet	
Clark	Hussong	Mosier	Tiemann	
Dahle	Jensen	Olson	Tomczyk	
Day	Johnson, E.P.	Otto	Tweten	

Against:

Alderink	Cummings	Fuller	Mueller	Ottinger	Thompson
Allen	Cunningham	Hartle	Munger	Parks	Ukkelberg
Anderson, D.F.	Dirlam	Howard	Nordlie	Peterson	VanDeRiet
Anderson, H.J.?	Dunn	Iverson	Noreen	Schenck	Voxland
Anderson, M.	Duxbury	Johnson, O.L.	Oberg	Schumann	Wegner?
Bergerud?	Eddy	Kennedy	O'Dea	Swenson	Wright?
Conroy	French?	McCarty	Ogle	Talle	

314 EAST MINNEHAHA PARKWAY

Minneapolis

Nov. 17, 1955

Dear Ethyl:

Here is the first rough draft of the material on the iron ore amendment.

If you do not like the question and answer and the Pro and con approach it can easily be changed. Also I could cut the material or increase it by adding charts, etc.

I would be glad to come to the state office to work it over, when it has been read by several people.

I'll keep my file intact here with sources, etc. until we are ready to do the final draft.

St. Paul has indicated that they would like the League material by the first of the year so they could use it at one of their training meetings.

Let me hear from you.

Sincerely,

Stella

*off. copy of
figures 1001*

November 30, 1955

C
O
P
Y

Dear Stella:

Thanks so much for getting the iron ore amendment material to us so quickly.

I like the question and answer and pro and con approach and you have presented the facts on the permanent school fund very nicely, but I am wondering if we shouldn't give the same information as to figures, balances, etc. on the permanent university fund. Would you have information in your files to cover this.

I talked it over briefly with several board members when I was in Minneapolis between buses yesterday on my way back from Granite Falls and they agreed we should give the same coverage to the University Fund.

If you could make this addition, I would appreciate it so much; we will hold up sending it to the other readers until you can get this done.

Thanks again for taking care of this for us.

Sincerely,

League of Women Voters of Minnesota
University of Minnesota (TSM3)
15th and Washington Ave.S.E.
Minneapolis 14, Minn.

November, 1955

Extra copies 4¢

MINNESOTA ELECTION DATA - 1956

To Be Elected in 1956

I. Executive Department

- A. Officers: Governor, Lieutenant Governor, Secretary of State,
Treasurer, Attorney General.
- B. Where to File: File with Secretary of State, Room 128, State Capitol.
- C. Filing fee: \$50.00

II. Judicial

A. Supreme Court:

- (1) Two associate justices - for the office to which:
 - a. Leroy E. Matson was elected for the regular term
 - b. William P. Murphy was appointed
- (2) Where to file: File with Secretary of State,
Room 128, State Capitol.
- (3) Filing fee: \$50.00

B. District Court:

- (1) 27 judges to be elected from the following districts:
1st Dist. - one; 2nd Dist. - five; 3rd Dist. - one;
4th Dist. - 7; 6th Dist. - one; 7th Dist. - one;
8th Dist. - one; 9th Dist. - one; 10th Dist. - one;
11th Dist. - two; 13th Dist. - one; 14th Dist. - one;
15th Dist. - two; 17th Dist. - one; 19th Dist. - one.
- (2) Where to file: File with Secretary of State, except
2nd Dist. (file with Ramsey County Auditor)
and 4th Dist. (file with Hennepin County Auditor)
- (3) Filing fee: \$20.00

III. Congressional:

- A. One representative in Congress from each of the 9 Congressional Districts.
- B. File affidavit of candidacy with Secretary of State, except candidates in
4th Congressional District (file with Ramsey County Auditor) and 5th
Congressional District (file with Hennepin County Auditor)
- C. Filing fee - \$50.00

IV. Legislative

- A. 131 representatives in the State Legislature
- B. Candidates from the following districts file affidavit of candidacy
with the Secretary of State: 1st Dist. (Houston-Fillmore) one at large;
14th Dist. (Redwood-Brown) one at large; 44th Dist. (Anoka-Isanti) one;
45th-first division (Benton-Sherburne) one; 53rd Dist. (Crow Wing-Morrison)
one at large; 55th Dist. (Kanabec-Mille Lacs-Sherburne) two; 57th - second
division (Cook-Lake) one; 62nd Dist. (Beltrami, Lake of the Woods) one;
64th Dist. (Mahnomen, Norman) one; 65th Dist. (Clearwater, Pennington,
Red Lake) two.
All other representatives (those voted for in one county only) file with
their respective county auditors.

- C. Filing fee- \$10.00

V. Railroad and Warehouse Commission:

- A. One commissioner - six year term
- B. File with Secretary of State
- C. Filing fee- \$50.00

VI. County Officers

- A. County officers whose terms expire in 1955
- B. File with County Auditor
- C. Filing fee - \$10.00

VII. Constitutional Amendments

Three amendments to the Minnesota Constitution will appear on the Constitu-
tional Amendment ballot on November 6, 1956.

The amendments will appear in the following order:

Amendment No. 1 - Ch. 881 - relating to the judiciary

"Chapter 881--H.F. No. 954

An Act proposing an amendment to Article VI of the Constitution; providing for the exercise of the judicial power of the state."

Amendment No. 2 - Ch. 882 - relating to highways

"Chapter 882--H.F. No. 1407

An Act proposing an amendment to the Constitution of the State of Minnesota by including a consolidated article on public highways, providing for systems of public roads to be constructed, improved and maintained by the state, counties and municipalities; authorizing the state to construct and maintain trunk highways and aid in the construction and maintenance of other public highways; establishing and authorizing the creation of a fund for such purposes by the taxation of motor vehicles and motor fuel; the issuance of bonds for such purposes as to trunk highways; consolidating and combining the several provisions of the constitution relating thereto into a single article to be known as Article XVI taking the place of present Article XVI, Article IX, Section 16, and replacing inconsistent provisions of the Constitution."

Amendment No. 3 - Ch. 6-Extra Session - relating to the occupation tax on iron ore.

"Chapter 6-S.F. no. 3

An act proposing an amendment to the Constitution of the State of Minnesota, Article IX, Section 1A, pertaining to the occupation tax on the business of mining or producing iron ore or other ores in this state and the apportionment and distribution of the proceeds therefrom."

STATE ELECTION CALENDAR -- 1956

Dec. 31, 1955	Last day for each political party to file with the Secretary of State the number of delegates to which it is entitled at its national convention.
January 16	Filings open to any candidate for the office of president to have name placed on state presidential primary ballot. Affidavit of candidacy.
February 1	Filings open for petitions on behalf of a candidate for the office of president to have candidate's name placed on ballot for presidential primary. Nominating petition.
February 15	Last day for filing affidavits of candidacy and nominating petitions to have names of candidates placed on presidential primary ballot.
February 25	Last day for filing affidavit of withdrawal by presidential primary candidate.
March 20	PRESIDENTIAL PRIMARY ELECTION
June 13	First date for filing as a candidate for state, judicial, legislative, congressional and county offices.
July 23	Last day for filing as candidate for state, judicial, legislative, congressional and county offices.
July 28	Last date on which candidates above may withdraw from official ballot.
September 11	STATE PRIMARY ELECTION
October 6	Last day a nomination can be made by petition for the general election.
November 6	GENERAL ELECTION for president, congressional, state, judicial and county officials.

CALENDAR

- December 31 Last day for each political party to file with Secretary of State the total number of delegates to which it will be entitled at the National Convention. (MS 202.42)
- January 16 Filings open for any candidate for presidential nomination to file affidavit of candidacy requesting that his name be placed on presidential primary ballot. (MS 202.44)
- February 1 Filings open to place on the ballot by petition the name of a person as candidate for nomination for president. (MS 202.45)
- February 15 Last day to file affidavits of candidacy and nomination petitions. (MS 202.44, .45)
- February 25 Last day for candidate nominated by petition to file affidavit to withdraw his name from ballot. (MS 202.49)
- March 20 Presidential Primary Election (MS 202.41)
- 40 days prior Last day for holding Congressional District party conventions to National to name alternate delegates. (MS 202.50, Subd. 2)
Convention
- 30 days prior Last day for holding state party convention to select three to National delegates at large and three alternates.
Convention (MS 202.50, Subd. 1)
- Two weeks Last day for delegates selected by convention to file pledges in
Prior to support of presidential candidates selected at the primary election.
National (MS 202.50, Subd. 3)
Convention

FILING DATAI. Affidavit of Candidacy: (MS 202.44)

- A. File with Secretary of State from January 16 to 12:00 o'clock noon of February 15, inclusive.
- B. Contents:
1. Name of candidates party
 2. Names of delegates
 - (a) Two for each Congressional District. Delegate must reside therein.
 - (b) Additional delegates at large to equal the total number of delegates to which party is entitled, less the three delegates who are elected at the state convention.

C. Fee - \$25.00

II. Nominating Petition: (MS 202.45)

- A. File with Secretary of State from February 1 to February 15, inclusive.
- B. Contents:
1. Name of candidate, and name of political party.
 2. Names of delegates:
 - (a) Two delegates for each congressional district
 - (b) Additional delegates at large to equal the total number of delegates to which party is entitled, less the three delegates who are elected at the State Convention.

3. Statement that the filing is made in good faith.
4. Following the facts required to be stated in each petition signed by the voter shall be written or printed an oath in the following form:

"I solemnly swear (or affirm) that I know the contents and purpose of this petition and signed my name of my own free will."
5. Petition shall be signed by at least 100 voters from each Congressional District in the state. Following the signature of each signer there shall be written his post office address and the Congressional District in which he resides.
6. Filing Fee - \$25.00

III. Delegates Affidavit (MS 202.47)

There shall be attached to the affidavit of candidacy or the nominating petition an affidavit signed by each proposed delegate. The affidavit shall contain:

- A. Residence and post office address of the delegate.
- B. A statement that he is a qualified voter.
- C. A statement that he will not withdraw his name before the presidential primary.
- D. A statement that he is affiliated with the specified political party, and that he intends to vote for the nominee at the ensuing election.
- E. A pledge to vote for said nominee at the convention. Form of pledge set out in Section 202.47 (E).

IV. One Filing for a Candidate (MS 202.46)

Only one filing for any candidate may be accepted, and only the first filing by or for a candidate shall be recognized.

Prepared by
JOSEPH L. DONOVAN
Secretary of State



STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
SAINT PAUL

OFFICE OF THE
COMMISSIONER

November 10, 1955

Mrs. S. C. Gale
314 East Minnehaha Parkway
Minneapolis, Minnesota

Dear Mrs. Gale:

I am happy to provide the information you request concerning the financing of public education in Minnesota. These figures are provided by the Budget Division of this Department, and if you should have further questions, we will be happy to answer them. We are, as you know, extremely interested in the matter of the Constitutional Amendment and are most happy to provide any information pertaining to it.

Here is the information you requested:

1. An analysis was made in 1952 and as of that year, 35 of the 48 states had permanent trust funds. Only Texas, with approximately \$350,000,000 in its trust funds exceeded Minnesota. As of 1952, permanent trust funds of the top 10 states totaled as follows:

1. Texas	\$350,795,590
2. Minnesota	218,986,242
3. Washington	80,737,976
4. Oklahoma	65,000,000
5. New Mexico	62,253,896
6. Idaho	41,452,671
7. North Dakota	33,582,437
8. South Dakota	30,182,046
9. Virginia	30,174,586
10. Montana	25,000,000

As of June 30, 1955, the total of Minnesota's permanent trust funds was \$262,486,182.11.

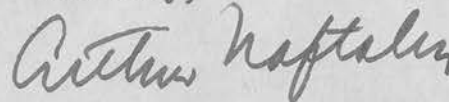
2. (a) At the end of the present biennium, June 30, 1957, there will be no surplus in the Income Tax School Fund.
- (b) The income tax produces for the Income Tax School Fund an estimated \$60,000,000 annually.

November 10, 1955

3. Minnesota's contribution to total education costs was \$69,276,146.10 for the 1953-54 fiscal year and \$73,177,358 for the 1954-55 fiscal year. These figures include the distribution of earnings from the trust funds but do not include the cost of educating pupils at the state institutions nor the cost of operating the State Department of Education. Cost of educating pupils in state institutions for the 1953-54 fiscal year was \$3,002,977 and for the 1954-55 fiscal year was \$3,035,333 and the cost of operating the Department of Education was \$948,589 for the 1953-54 fiscal year and \$950,153 for the 1954-55 fiscal year.

I hope this provides the information you need. As I have indicated, I shall be happy to answer any further questions you have.

Sincerely,



Arthur Naftalin
Commissioner of Administration

AN:pb

IRON ORE TAX AMENDMENT

(Amendment #3, to be voted on November, 1956)

This material on the iron ore tax amendment was prepared on request of the state convention meeting in May, 1955. It is not part of the League's program (current agenda or continuing responsibilities) but the delegates clearly thought the subject of sufficient importance to ask for this "extra". As an "extra" it is not comprehensive, but it does supply the basic facts and lists some of the current arguments, pro and con. Newspaper stories and editorials will provide helpful "fillers" in the coming months.

What is the amendment?

It is a proposed amendment to the State Constitution which, if passed, would divert tax money now going into educational trust funds to current educational operating expenses. One-half of the revenue from the occupational tax on iron ore is now allocated to the general revenue fund of the state; 40% goes into the Permanent School Fund; 10% to the Permanent University Fund. The amendment would put the 40% into current elementary and secondary school needs and the 10% into current support of the University of Minnesota.

What will be the exact wording on the ballot?

"Shall Section 1A of Article IX of the Constitution of the State of Minnesota be so amended that the third sentence thereof shall read as follows: Funds derived from the tax herein provided for shall be used as follows: 50% to the state general revenue fund, 40 percent to a fund for the support of elementary and secondary school, and ten percent for the general support of the university? Yes _____ No _____ "

What state-wide vote is required to pass this amendment?

A majority of those voting in the election.

BACKGROUND

What is the occupation tax on iron ore?

It is a tax of about 11% on the value of iron ore mined (value determined by law), authorized in 1922. The revenue from this tax is distributed as follows: 40% into the Permanent School Trust Fund and 10% into the Permanent University Trust Fund. The interest only from these funds is now used for current expenses. If the amendment passes, the tax revenue will go directly to current expenses, not into the funds.

What is the Permanent School Fund?

The Permanent School Fund was established in the original state

constitution, 1857. A gift made at that time by the federal government ~~of three million acres of land~~ ^{21,991} has contributed to date over 107 million dollars to this fund. Add to this ²⁰⁰ 93½ million dollars from the iron ore tax and the total in the present fund becomes ²⁰⁰ 200½ million dollars. (1)

How large is the Permanent University Fund?

This fund now totals \$39,545,672.

Would passage of the amendment mean a reduction in the above funds?

No. Money comes into these funds from other sources - rent and royalties from state-owned lands; money from sale of such lands; money from sale of timber rights. These sources will continue to build the fund by \$2,800,000 per year for the next 20 years and by \$800,000 per year for the succeeding 30 years. These estimates are based in part on presently known ore reserves, which in the past have consistently proved to be conservative.

Will the interest from the funds still be available to the schools and the university if the amendment passes?

Yes. In 1955, the interest on the Permanent School Fund amounted ⁰⁹⁶ to \$5,119,000; on the Permanent University Fund, ^{8958,086.83} \$8,958,086.83. (Mrs. Gale is getting this). (2)

How much has the iron ore tax contributed annually to these funds?

A five-year average of eight million dollars to the Permanent School Fund, two million dollars to the Permanent University Fund.

How do our trust funds compare with those of other states?

They are exceeded only by Texas.

Does the interest from the Permanent School Fund play as large a role as ~~it did in the past~~ it did in the past?

No. In 1900, ~~the fund~~ interest from the fund contributed 51% of the money the state gave to total elementary and secondary ^{School} costs; in 1954 this had fallen to 7%, due to larger enrollments, increased costs, and lower rates of interest. (1)

How much did the state contribute to public school education costs in 1954-55?

\$73,177,358. (2)

What is the major source of this contribution?

The state income tax fund.

What is the annual take from the state income tax?

About \$60,000,000. (2)

Where does the difference between 60 and 73 million dollars come from?

There has been a surplus in the income tax fund, but at the present rate of spending, there will be no surplus at the end of the present biennium, June 30, 1957. (2)

ARGUMENTS

Those who oppose the amendment say:

1. The legislature could take out of the Income Tax Fund an amount equal to the sum realized by the passage of this amendment and put it to other uses, thus leaving no net gain to the schools.

2. There is a question ^{whether} ~~that~~ once the monies are diverted from the trust funds they would have to go to education. Some think the legislature could use them as it pleased. If trust fund money is diverted, it should be used for capital improvements, loans to school districts, not for current operating expenses.

Those who favor the amendment say:

1. If the electorate indicated by a majority of those voting in the election that they wished these funds used for current needs, knowing that the income tax fund was no longer adequate for this purpose, it would seem unlikely that the legislature would then decrease the sum available from the income tax.

2. If this amendment fails, another amendment may be introduced next session which would take this tax money away from schools entirely. This amendment now does not take the tax money away from education. It simply allows the money to be used for current needs instead of salting it away in the trust funds.

3. We should not tamper with the trust funds established by the constitution. They should remain inviolate, as it might establish a bad precedent which would result in raiding of other funds. To use this tax for current school needs would reverse in time of unparalleled prosperity a system of enforced savings ~~that~~ that was preserved ~~even~~ through years of depression.

4. The supply of iron ore is exhaustible and tax revenues on this important natural resource should be reserved for future generations.

5. The legislature is just getting to the point of realizing that it has to do something drastic to provide adequate funds for education. Part of the problem is efficiency in operation. The pressure is on for real reorganization of school districts, tightening of standards, etc. Passage of the amendment would take the pressure off.

6. Although this slows down needless building of trust funds, it adds another dedicated fund. Many feel that

3. The permanent ^{trust}/funds are needlessly large - second largest in the nation. Besides, royalties from the five billion tons of crude taconite estimated to lie within school lands will continue to swell the trust funds and there may be other mineral developments in the future which are not now anticipated. (3)

4. Taconite will eventually replace the higher grade ores. The supply is enough for several ^{at} centuries. As the operation becomes more profitable, it will be taxed.

5. New sources ~~of~~ revenue for current educational needs must be found. This is not the whole answer but it would help. The 7% contributed by the Permanent School Fund last year is an indication that the interest alone is dwindling in importance. The interest is not enough.

6. It is poor judgment to build a fund unduly when the value of the dollar has decreased. The money we put into

all such funds should be undedicated, the fund today will not buy as much including the income tax fund. education in the future as it will today. We need money now for education, and it should come now, as education is one of our best investments in the future.

References:

- (1) Reports of the State Auditor.
- (2) Budget Division, Department of Administration.
- (3) Mrs. Ray Nolan, Division of Lands and Minerals, Department of Conservation.



STATE OF MINNESOTA

DEPARTMENT OF HIGHWAYS

1246 UNIVERSITY AVENUE

ST. PAUL 4

May 17, 1956.

Mrs. Roger T. Klein
Voters Service Chairman
League of Women Voters
of Minnesota
611 Holly
Brainerd, Minnesota

Dear Mrs. Klein,

Thank you for your inquiry of May 11 which was addressed to Commissioner Hoffmann.

Because of certain inherent complexities of financing and administering Minnesota's Highway Transportation System, which includes trunk highways, county and township roads and municipal streets, you raise a question which does not permit a simple statement answer.

Perhaps we can be most helpful by referring you to the recent Highway Study Commission Report, a copy of which is enclosed. You will find in this report, we are sure, all the detailed information you might find necessary in acquainting the public with the basic issues of Amendment No. 2. You will notice on page 4 that "This report has been prepared to assist the Legislature and to inform other interested citizens who want to have established a stable and fair policy for the maintenance and expansion of Minnesota highways".

The specific question you raised is perhaps answered in the first two paragraphs under "General Comments" on page 15 of the report.

We welcome this opportunity to assist the League in acquainting the voters of Minnesota with Amendment No. 2. If, in the future, we can be of further assistance to you, do not hesitate to write us.

Yours very truly,

J. E. P. Darrell
Traffic and Planning Engineer

JEPD:ohg
Encl.

LEAGUE OF WOMEN VOTERS OF MINNESOTA
University of Minnesota (TSMC), 15 & Washington Ave. S.E., Minneapolis 14, Minnesota
Price 4¢ Federal 8-8791 December, 1955

IRON ORE TAX AMENDMENT

(Amendment #3, to be voted on November, 1956)

This material on the iron ore tax amendment was prepared on request of the state convention meeting in May, 1955. It is not part of the League's program (current agenda or continuing responsibilities) but the delegates clearly thought the subject of sufficient importance to ask for this "extra." As an "extra" it is not comprehensive, but it does supply the basic facts and lists some of the current arguments, pro and con. Newspaper stories and editorials will provide helpful "fillers" in the coming months.

WHAT IS THE AMENDMENT?

It is a proposed amendment to the State Constitution which, if passed, would divert tax money now going into educational trust funds to current educational operating expenses. One-half of the revenue from the occupational tax on iron ore is now allocated to the general revenue fund of the state; 40% goes into the Permanent School Fund; 10% to the Permanent University Fund. The amendment would put the 40% into current elementary and secondary school needs and the 10% into current support of the University of Minnesota.

WHAT WILL BE THE EXACT WORDING ON THE BALLOT?

"Shall Section 1A of Article IX of the Constitution of the State of Minnesota be so amended that the third sentence thereof shall read as follows:
Funds derived from the tax herein provided for shall be used as follows:
50% to the state general revenue fund, 40 percent to a fund for the support of elementary and secondary school, and ten percent for the general support of the university? Yes _____ No _____"

WHAT STATE-WIDE VOTE IS REQUIRED TO PASS THIS AMENDMENT?

A majority of those voting in the election.

BACKGROUND

WHAT IS THE OCCUPATION TAX ON IRON ORE?

It is a tax of about 11% on the value of iron ore mined (value determined by law), authorized in 1922. The revenue from this tax is distributed as follows: 40% into the Permanent School Trust Fund and 10% into the Permanent University Trust Fund. The interest only from these funds is now used for current expenses. If the amendment passes, the tax revenue will go directly to current expenses, not into the funds.

WHAT IS THE PERMANENT SCHOOL FUND?

The Permanent School Fund was established in the original state constitution, 1857. A gift made at that time by the federal government of three million acres of land has contributed to date over 107 million dollars to this fund. Add to this 93½ million dollars from the iron ore tax and the total in the present fund becomes over 200 million dollars. (1)

HOW LARGE IS THE PERMANENT UNIVERSITY FUND?

This fund now totals \$39,545,672.

WOULD PASSAGE OF THE AMENDMENT MEAN A REDUCTION IN THE ABOVE FUNDS?

No. Money comes into these funds from other sources - rent and royalties from state-owned lands; money from sale of such lands; money from sale of timber rights. These sources will continue to build the fund by \$2,800,000 per year for the next 20 years and by \$800,000 per year for the succeeding 30 years. These estimates are based in part on presently known ore reserves, which in the past have consistently proved to be conservative.

WILL THE INTEREST FROM THE FUNDS STILL BE AVAILABLE TO THE SCHOOLS AND THE UNIVERSITY IF THE AMENDMENT PASSES?

Yes. In 1955, the interest on the Permanent School Fund amounted to \$5,096,000; on the Permanent University Fund, to \$958,086.83. (2)

HOW MUCH HAS THE IRON ORE TAX CONTRIBUTED ANNUALLY TO THESE FUNDS?

A five-year average of eight million dollars to the Permanent School Fund, two million dollars to the Permanent University Fund.

HOW DO OUR TRUST FUNDS COMPARE WITH THOSE OF OTHER STATES?

They are exceeded only by Texas.

DOES THE INTEREST FROM THE PERMANENT SCHOOL FUND PLAY AS LARGE A ROLE AS IT DID IN THE PAST?

No. In 1900, interest from the fund contributed 51% of the money the state gave to total elementary and secondary school costs; in 1954 this had fallen to 7%, due to larger enrollments, increased costs, and lower rates of interest. (1)

HOW MUCH DID THE STATE CONTRIBUTE TO PUBLIC SCHOOL EDUCATION COSTS IN 1954-55?

\$73,177,358. (2)

WHAT IS THE MAJOR SOURCE OF THIS CONTRIBUTION?

The state income tax fund.

WHAT IS THE ANNUAL TAKE FROM THE STATE INCOME TAX?

About \$60,000,000. (2)

WHERE DOES THE DIFFERENCE BETWEEN 60 and 73 MILLION DOLLARS COME FROM?

There has been a surplus in the income tax fund, but at the present rate of spending, there will be no surplus at the end of the present biennium, June 30, 1957. (2)

ARGUMENTS

THOSE WHO OPPOSE THE AMENDMENT SAY:

1. The legislature could take out of the Income Tax Fund an amount equal to the sum realized by the passage of this amendment and put it to other uses, thus leaving no net gain to the schools.

THOSE WHO FAVOR THE AMENDMENT SAY:

1. If the electorate indicated by a majority of those voting in the election that they wished these funds used for current needs, knowing that the income tax fund was no longer adequate for this purpose, it would seem unlikely that the legislature would then decrease the sum available from the income tax.

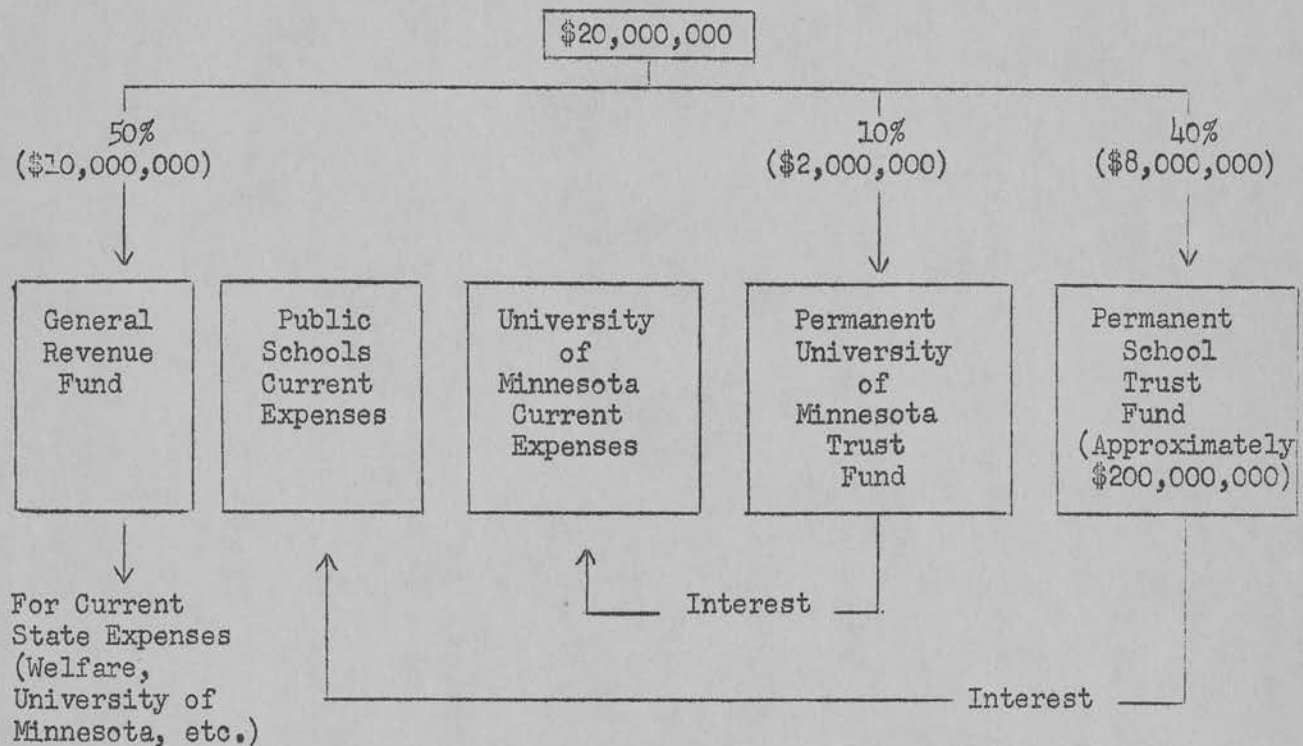
2. There is a question whether once the monies are diverted from the trust funds they would have to go to education. Some think the legislature could use them as it pleased. If trust fund money is diverted, it should be used for capital improvement loans to school districts, not for current operating expenses.
3. We should not tamper with the trust funds established by the constitution. They should remain inviolate, as it might establish a bad precedent which would result in raiding of other funds. To use this tax for current school needs would reverse in time of unparalleled prosperity a system of enforced savings that was preserved even through years of depression.
4. The supply of iron ore is exhaustible and tax revenues on this important natural resource should be reserved for future generations.
5. The legislature is just getting to the point of realizing that it has to do something drastic to provide adequate funds for education. Part of the problem is efficiency in operation. The pressure is on for real reorganization of school districts, tightening of standards, etc. Passage of the amendment would take the pressure off.
6. Although this slows down needless building of trust funds, it adds another dedicated fund. Many feel that all such funds should be undedicated, including the income tax fund.
2. If this amendment fails, another amendment may be introduced next session which would take this tax money away from schools entirely. This amendment now does not take the tax money away from education. It simply allows the money to be used for current needs instead of salting it away in the trust funds.
3. The permanent trust funds are needlessly large - second largest in the nation. Besides, royalties from the five billion tons of crude taconite estimated to lie within school lands will continue to swell the trust funds and there may be other mineral developments in the future which are not now anticipated. (3)
4. Taconite will eventually replace the higher grade ores. The supply is enough for several centuries. As the operation becomes more profitable, it will be taxed.
5. New sources of revenue for current educational needs must be found. This is not the whole answer but it would help. The 7% contributed by the Permanent School Fund last year is an indication that the interest alone is dwindling in importance. The interest is not enough.
6. It is poor judgment to build a fund unduly when the value of the dollar has decreased. The money we put into the fund today will not buy as much education in the future as it will today. We need money now for education, and it should come now, as education is one of our best investments in the future.

References:

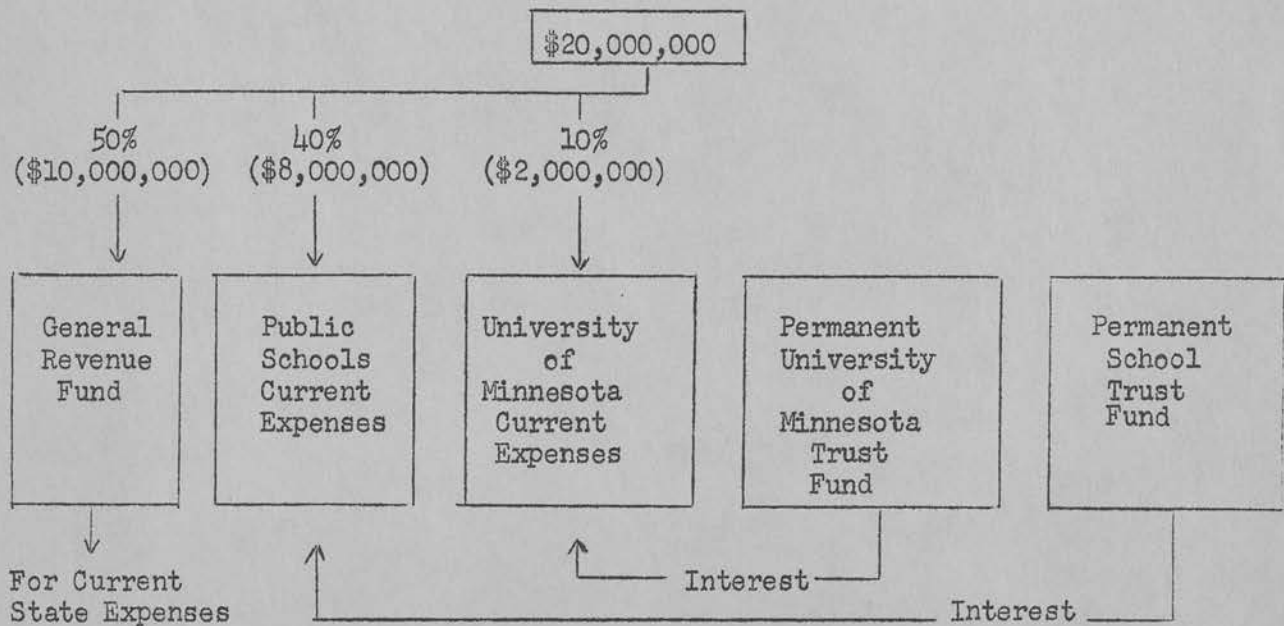
- (1) Reports of the State Auditor
- (2) Budget Division, Department of Administration.
- (3) Mr. Ray Nolan, Division of Lands and Minerals, Department of Conservation.

PRESENT DISBURSEMENT OF OCCUPATION TAX ON IRON ORE

(Based on Receipts of \$20,000,000 per year)



PROPOSED DISBURSEMENT



REFERENCES: Biennial Report of State Auditor and
Minnesota Department of Taxation Research Bulletins

*I thought this might be
helpful to you -
Save it for me - when
you ^{are} finished with it
Ed*

AMENDMENT # 2

* A new constitutional amendment on highways will be before the voters of Minnesota at the November, 1956 elections. Here is how it came about and what it proposes to do.

3/6/56

A BALANCED HIGHWAY PROGRAM FOR MINNESOTA

By C. L. Bowar, Director of Public Relations, Minnesota State Automobile Association

* An address before the City and Village Engineers Association, February 23, 1956, at the Nicollet Hotel, Minneapolis, Minn.

When the voters of Minnesota go to the polls in November of this year, they will be asked to vote on quite a few proposed changes to the constitution of our state. Of all these proposed changes, perhaps none will be more important to the future economy of Minnesota or the personal welfare and even the personal safety of every individual voter than Amendment #2 on that ballot! This is the amendment which proposes to change the distribution of highway revenues in Minnesota and establish what many people now believe is a realistic plan for a balanced program of improvement on all our roads and streets.

There is no need to dwell upon the controversy which this highway problem ... this question of dividing the highway dollar ... has evoked in the past.

You men all know of those previous highway amendments and of their failure to pass. You probably recall, also, that the organization which I represent opposed these previous amendments. Now, we have completely reversed our position and have announced we are going to work for the passage of this amendment.

That may have come as a surprise to some people, but it was no surprise to the leaders of my organization. As a matter of fact, it was something they had been looking for ... a chance to work for an amendment rather than against one.

Specifically, ... I recall the feelings of Ray Cory, the president of my organization, immediately following the defeat of Amendment #5. He was not elated one iota that Amendment #5 had been defeated because thousands of good, sincere people had voted for it, had felt that some change was necessary in the distribution of Minnesota's highway dollar.

We felt that a change was needed, too, but we could see no honesty nor fairness nor equity in merely picking out of thin air a set of percentages that did not reflect needs and saying: "This is it. This is the way we will distribute the highway fund."

At the annual meeting of the Minnesota State Automobile Association a few weeks after the 1952 elections, Cory made an earnest plea for a realistic approach to the problem so it could be settled once and for all. He urged again, as he had done so many times before, a thorough and comprehensive study of needs on all roads and streets in the state. Give us the facts, he said, and we will abide by them. Give us an amendment based on fact and we will work for the passage of such an amendment. We cannot be eternally against these amendments. We must have an amendment that we can be for!

Accordingly, most of the effort by my organization during the 1953 legislature was toward this establishment of a highway study group, this first necessary step to get an impartial and objective look at what was needed.

In the closing days of that 1953 session, the legislature passed a bill with only one dissenting vote in the Senate, none in the House, to establish an interim highway study commission composed of 14 citizens and 14 legislators.

Some people smiled at the very size of the commission. They smiled because they saw 28 divergent interests, 28 different states of mind, sitting around a conference table and trying to agree on something that had defied agreement for years. The skeptics said that such a commission could never find agreement on a realistic plan or even make a report to the legislature.

In the opening meetings of the commission, it certainly looked as though these skeptics were right. The commission was split down the middle into two camps, those who had favored previous highway amendments and those who had opposed them. It was certainly a tribute to the chairman of the commission, Albert O. Sletvold of Detroit Lakes, that the commission ever held together. I sat on the sidelines in those trying days and could not help but admire the patience and statesmanship of the man as the commission members thrashed around with all the details of the highway problem from taxes right down to the price of gravel.

In the meantime, the Automotive Safety Foundation of Washington, D. C. was patiently making its engineering needs study and the Public Administration Service of Chicago was making its fiscal study. They were making their progress reports regularly to the commission, but warning as they did so, that these progress reports were all of a preliminary nature and that their final reports would have to wait for the deadline set by the commission.

Almost ten months prior to the deadline, Cory asked the staff of the State Automobile Association to do some objective research on some of the basic problems involved, to get them lined up in the order of their importance, first things first, and to aim for some simple, basic principles that would form the nucleus for a realistic understanding and, we hoped, some agreement among the commission.

It was not difficult, of course, to get a rough estimate of needs nor was it difficult to compute the revenue available each year to meet those needs. When the two outside agencies made their final reports, we found out that we were reasonably close, close enough at least to think seriously and immediately about putting some of the obvious things into a plan which would draw the commission together.

For example, we had feared for many months that the commission would literally explode when the final reports were made by the outside agencies. Our fears were well founded because that is exactly what happened, particularly on the question of taxes.

It had been our thinking all along that the question of taxes ... the question of who pays what ... was the one big question which could disrupt the commission. At the same time, it appeared quite evident to us that the question of taxes could not be settled in the commission. It had to be settled in the legislature. The commission could recommend but only the legislature could act on the problem.

Moreover, the legislature was in no mind to raise taxes UNTIL the fairness and equity of distribution had first been established.

Then, in the report of the Public Administration Service ... in the fiscal report ... came the clue that was needed for a starting point. Specifically, the PAS report said, on the very first page of the report: "a fifteen-year program could be supported largely by already authorized and expected increases in Federal aid and anticipated increases in the existing level of locally raised total revenues." In other words, PAS said we have enough money in Minnesota to do the job if we will settle for a fifteen-year program.

This one sentence in the PAS report, at least as far as we were concerned, was the turning point. Certainly, we would have preferred a ten-year program rather than the fifteen (and still do) but the fifteen-year program gave the commission an opportunity to set aside the tax question and leave it to the legislature. It was the one focal point we needed because, in the simplest terms, it appeared evident to us that if you had enough money over a given period of time to meet the needs during that same period, certainly it was just a matter of simple arithmetic to divide it fairly so that each highway jurisdiction would have enough money to meet its needs. We reasoned also that, once an equitable distribution was arrived at, the legislature in future years could move the program forward or step it up by adjustments in taxation which it felt necessary for the good of the state.

Two weeks after the outside agencies had made their final report to the commission, Mr. Cory presented "a plan". We had our neck out a country mile and we knew it. It was not a perfect plan and we so admitted to the commission. Our only idea was to get the commission thinking along certain realistic lines.

Let me also admit to you frankly that the plan was not totally ours. We had help on it, sure we did. But it was good, competent engineering counsel from our own highway engineers at AAA national headquarters, from Mr. Kipp and the highway planning department who had the necessary data, and even from engineers of the Automotive Safety Foundation who have had a vast experience with similar problems in other states. In addition, of course, some of the commission members themselves made suggestions ... good ones, positive ones to make the plan work ... so that, in effect, the commission went from a controversial approach to a constructive one.

Briefly, here is what occurred in the subsequent meetings of the commission ... the recommendations which went into their report to the legislature and which appear substantially in the amendment which is coming up in November.

First, they decided to separate anything of a legislative nature from those matters which they felt should be incorporated into the constitution of the state. They left the tax question, for example, to the legislature. They, also, left the question of how the county share should be distributed among the counties, and the city share among the cities, to the legislature.

Then they agreed on the idea of one highway fund rather than the two separate funds we have now.

Thirdly, they agreed that the percentage for distribution should be in the constitution but that there should be some form of flexibility to meet changing conditions and changing needs. The specific provision in the amendment, of course, is a legislative prerogative, once every six years, to adjust any inequity which may arise by taking up to 5% of the one fund (before any distribution is made) and distributing the amount of dollars involved in that 5% as they find is necessary to adjust the distribution of money to the needs. This indicates, in effect, that our needs study will be brought up to date once every five years. I do not need to tell you men that such reviews of highway needs are furnishing excellent yardsticks for successful programs in such states as California, Michigan and others.

The commission also agreed that there should be provisions in the amendment for close cooperation between counties and cities, between the cities and the state, and between the counties and the state.

They agreed also to recommend changing the limitation on bonding so there would be no annual limit upon additional revenue for trunk highway improvements. The reasoning here was that, if the amendment causes any shrinkage in truck highway revenues during the first years of the program, it can be more than offset in those early years by this bonding provision. There need be no loss in dollars available to the trunk system at all.

Once these basic agreements were arrived at, the actual percentages of the one highway fund for the three highway jurisdictions fell into place on the basis of need. As Amendment #2 now stands, it proposes to allot highway funds in Minnesota on the following ratio: 62% of the one fund to the state trunk highway system; 29% to improvement of primary county roads and to cities and villages under 5000 population; and 9% to the improvement of principal arterial streets in all cities and villages over 5000 population.

There was considerable discussion in the commission about the cutting off point, the population figure for the cities. The 2500 population figure was suggested and also one of 3000. The commission settled on the 5000 figure for two reasons: (1) because of the availability of engineering talent to cities over 5000 population and (2) because Federal aid urban is also established at the 5000 figure.

This does not mean, of course, that cities and villages below 5000 population will not share in highway funds under the proposed amendment. They will. The need for cities and villages under 5000 population, as outlined by ASF, amount to roughly 3% of the one fund and this 3% is in the counties' 29%.

To give you a rough idea of what the amendment means in dollars and cents: road user revenues in Minnesota now total, roughly, 76 million dollars a year. Under the proposed distribution, the trunk highways' 62% would amount to, roughly, 47 million dollars, the counties' 29% would amount to a little over 22 million dollars and the municipalities' 9% would amount to almost 7 million dollars.

Under the proposed amendment, of course, the trunk highway system would receive some 13 million dollars less in highway revenue than under the present distribution. That is a point about which some people have expressed concern.

The principal cause of their concern lies perhaps in the fact that they see only the 13 million dollar figure and not the effects of other provisions contained in the proposed amendment. Actually, it appears that the authors of the amendment exercised extreme care to see that nothing in the distribution formula would impair the development of our main highways to modern standards.

For example, here are some of the safeguards which the last session of the legislature created, either by statutory act or by incorporation into the draft of Amendment #2:

(1) The 1955 legislature authorized the issuance of 20 million dollars in highway bonds to catch up on construction of a backlog of urgently needed bridges. To put it another way, this takes off a 20 million dollar load or drain that would otherwise fall on current trunk highway revenues in the immediate future.

(2) The amendment itself authorizes the state to issue up to 150 million dollars in trunk highway bonds if they are needed to expedite improvements on our main trunk routes ... double the maximum in our present constitution,

Moreover, under the proposed amendment, the 10-million-dollar limitation on the amount of bonds that can be issued in any one year is entirely removed. If the amendment passes, it will mean that there will be no annual limit upon the revenues for trunk highway improvements which could be provided by the legislature from this source. Certainly, it seems reasonable to expect that sufficient bond revenues will be provided to more than offset any shrinkage in revenue to our state trunks which might result from the adoption of the amendment.

(3) Any actual loss in dollars to the state trunk system may be negligible or even non-existent by the time the amendment passes and is put into effect. There are two reasons for this. First, our road user revenues in Minnesota are now increasing at the rate of over 4 million dollars per year, of which the trunk system, under the new amendment, will get 62%. Secondly, every indication at the national level is that Federal aid, primary, secondary and urban will be substantially increased in the years ahead. All of the plans currently being discussed in Congress would at least double the amount of Federal aid to Minnesota and some would almost triple it. We are getting 20 million dollars a year in Federal highway aid at the present time and most of the bills presently being considered would raise this to, roughly, 50 million dollars. That increase of 30 million dollars in Federal aid, for example, would more than offset any so-called 13-million-dollar-loss to the state trunks under the proposed amendment.

Remember, also, that the state's participation in future Federal aid programs on the interstate system would be considerably more favorable. Everyone in Congress seems to have agreed at least on the 90/10 sharing arrangement for development of the interstate highways. This not only means that more funds will be available for the regular Federal aid routes, but also that the state will have no difficulty in matching these new and increased Federal aid appropriations for

highways. As a matter of fact, the commissioner of highways himself stated recently: "We in the highway department feel that it is in the best interests of a broad road development program for the future that Amendment #2 be adopted."

(4) Aside from the measures afforded in the amendment to protect the development of the trunk highway system, there are also a number of highly flexible provisions in it which will permit the people of the state, or of any sub-division of government, city or county, to adjust their road and street improvement expenditures to give priority to improving any highway which is most important to them ... be it a state trunk highway or a local route.

In other words, the proposed amendment authorizes any county or municipality to expend any part of its share of road user revenues to aid in the construction, or expedite the construction, of any state trunk highway project within its boundaries.

This provision, simply stated, means that if any sub-division of government finds that a desired trunk highway improvement cannot be financed out of available trunk highway funds, the county or city can augment the state funds with some of its own share of road user revenues to see that the project is accomplished sooner than would be normally possible.

It is difficult to conceive how any constitutional provision could be more elastic in permitting the people to decide for themselves which improvements they need most and then scheduling those improvements in the order of their importance.

(5) One last and perhaps transcending reason why those who are interested in Minnesota's overall struggle for adequate roads need have no fear of Amendment #2: Under its provisions, specifically the one-fund-idea, our state and all its sub-divisions of government will have a direct financial interest in the adequacy of highway user revenues, both motor vehicle license fees and gas taxes. If the road funds produced prove insufficient to keep pace with the public's demands for improvements, the legislature can make such adjustments as are necessary to see that the level of these revenues is raised to meet the essential requirements of our economic progress.

That, briefly, is the amendment and some of its highlights. Before the 1955 legislature adjourned, it also passed the bill which set up the present Highway Taxes Distribution Committee of which Charles Halsted is chairman. This committee is charged with making recommendations on all of the legislative matters which will be necessary to supplement the amendment. Most people think of the committee's job only as that of deciding how the county share of this one fund will be distributed among the counties and the cities share among the cities. Actually, it is much more than that, but the two distribution formulas naturally seem the most important.

I, personally, have a great deal of confidence in Charles Halsted, particularly after watching him in action as chairman of the House highway committee during the last session. He seems eminently fair and open-minded on this problem and certainly dedicated toward getting some sound structure of highway financing established to get us on an even keel of road and street improvements in Minnesota.

Just recently, the county commissioners and county engineers presented to the Halsted Committee something on which they have been working for quite a few months ... a rather easy to understand formula and, at the same time, one which can be justified in terms of sound, logical factors. The weight of the various factors suggested in the county formula are as follows:

- 50% on the basis of total needs and ability to pay
- 30% on the basis of accredited road mileage
- 10% on the basis of total car registration
- 10% as an equalization factor

The equalization factor, of course, is a simple 10% spread equally among all counties to provide for needs that do not vary with the other factors ... needs such as administrative expenses.

While The Halsted Committee has not decided definitely on this formula, there seems to be considerable support for it on the committee. The big thing, of course, is that it has almost unanimous support from all the county engineers and county commissioners.

There is considerable support, also, for this amendment from organizations and individuals who opposed previous amendments. The Minnesota AAA, of course, has announced its unreserved support for the amendment, will recommend a "Vote Yes" among its 107,000 motoring families and spare no effort to convince the motoring public generally that this is a good and fair amendment.

The governor has announced forthrightly, on several occasions, that he will campaign for the amendment and there is good reason to believe that it will be supported also by most highway organizations and highway interests in Minnesota.

This is a good omen, but it should not lull into a false sense of security those who are interested in a balanced highway program for Minnesota. It will take a strong campaign to educate people who, by tradition, vote "No" or not at all on constitutional amendments. 60% of all votes cast is required for passage and this amounts to a considerable number of votes in a presidential election year when the vote is heavy.

On the city side, the amendment provides a greater share of highway revenues for the cities than has existed in any of the previous amendments. It represents 7 million dollars a year in new street funds for cities ... 7 million more than they have now. *

I am firmly of the belief that this amendment presents the biggest opportunity we shall see in our time for settling Minnesota's highway controversy. If the amendment fails, it will be a long time before the opportunity is before us again.

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* A committee of city and village engineers is now working in liason with the League of Municipalities to develop a formula for the distribution of the 9% to cities over 5,000 population. It is scheduled to make its recommendations to the Halsted Committee on March 26, 1956.

STATEMENT REQUIRED BY M. S. 3.21 ON PROPOSED CONSTITUTIONAL
AMENDMENTS SUBMITTED BY 1955 LEGISLATURE.
Laws 1955, cc. 881 and 882; L. Ex. Sess. 1955, c. 6.

June 12, 1956

The Honorable Joseph L. Donovan
Secretary of State
Capitol

Dear Mr. Donovan:

Pursuant to M. S. 1953, § 3.21, you are hereby furnished a statement of the purpose and effect of each of the following proposed amendments to the Constitution of the State of Minnesota. They are to be submitted to the voters for their approval or rejection at the November 6, 1956 general election as directed by L. 1955, cc. 881 and 882, and L. Ex. Sess. 1955, c. 6.

PROPOSED AMENDMENT RELATING TO
THE JUDICIAL POWER OF THE STATE

By L. 1955, c. 881, the legislature has proposed an amendment to Article VI of the Constitution.

Article VI now reads as follows:

"Judicial powers. Section 1. The judicial power of the State shall be vested in the supreme court, district courts, courts of probate, justices of the peace, and such other courts, inferior to the supreme court, as the legislature may from time to time establish by a two-thirds vote.

"Supreme court; jurisdiction and powers; reporter of decisions; clerk of supreme court. Sec. 2. The supreme court shall consist of one chief justice and six associate justices. It shall have original jurisdiction in such remedial cases as may be prescribed by law, and appellate jurisdiction in all cases, both in law and equity, but there shall be no trial by jury in said court. It shall hold one or more terms in each year, as the legislature may direct, at the seat of government, and the legislature may provide, by a two-thirds vote, that one term in each year shall be held in each or any judicial district. It shall be the duty of such court to appoint a

reporter of its decisions. There shall be chosen, by the qualified electors of the state, one clerk of the supreme court, who shall hold his office for the term of four years, and until his successor is duly elected and qualified; and the judges of the supreme court, or a majority of them, shall have the power to fill any vacancy in the office of clerk of the supreme court until an election can be regularly had.

"Election and term of office for judges. Sec. 3. The judges of the supreme court shall be elected by the electors of the State at large, and their term of office shall be six years, and until their successors are elected and qualified.

"District judges may act where supreme judges are disqualified. Whenever all or a majority of the judges of the supreme court shall, from any cause, be disqualified from sitting in any case in said court, the governor, or, if he shall be interested in the result of such case, then the lieutenant governor, shall assign judges of the district court of the State, who shall sit in such case in place of such disqualified judges, with all the powers and duties of judges of the supreme court.

"Judicial districts for district courts; election of judges; term of office and residence. Sec. 4. The State shall be divided by the legislature into judicial districts, which shall be composed of contiguous territory, be bounded by county lines, and contain a population as nearly equal as may be practicable. In each judicial district, one or more judges, as the legislature may prescribe, shall be elected by the electors thereof, whose term of office shall be six years, and each of said judges shall severally have and exercise the powers of the court, under such limitations as may be prescribed by law. Every district judge shall, at the time of his election, be a resident of the district for which he shall be elected, and shall reside therein during his continuance in office. In case any court of common pleas heretofore established shall be abolished, the judge of said court may be constituted by the legislature one of the judges of the district court of the district wherein such court has been so established for a period not exceeding the unexpired term for which he was elected.

"Jurisdiction of district courts. Sec. 5. The district courts shall have original jurisdiction in all civil cases, both in law and equity, where the amount in controversy exceeds one hundred dollars, and in all criminal cases where the punishment shall exceed three months' imprisonment or a fine of more than one hundred dollars, and shall have such appellate jurisdiction as may be prescribed by law. The legislature may provide

by law that the judge of one district may discharge the duties of judge of any other district not his own, when convenience or the public interest may require it.

"Qualifications. Sec. 6. The judges of the supreme and district courts shall be men learned in the law, and shall receive such compensation at stated times as may be prescribed by the legislature; which compensation shall not be diminished during their continuance in office, but they shall receive no other fee or reward for their services.

"Probate court; judges to be elected; jurisdiction. Sec. 7. There shall be established in each organized county in the State a probate court, which shall be a court of record, and be held at such time and place as may be prescribed by law. It shall be held by one judge, whose qualifications may be established by law. The judge shall be elected by the voters of the county for a term of four years. He shall be a resident of such county at the time of his election, and reside therein during his continuance in office. His compensation shall be provided by law. He may appoint his own clerk or register of probate for such county, whose powers, duties, term of office and compensation shall be prescribed by law. A probate court shall have jurisdiction over the person and estate, either or both, of persons under guardianship; over estates of deceased persons; and such further jurisdiction as the legislature may from time to time establish by a two-thirds vote.

"Justices of the peace to be elected; jurisdiction. Sec. 8. The legislature shall provide for the election of a sufficient number of justices of the peace in each county, whose term of office shall be two years, and whose duties and compensation shall be prescribed by law. Provided, That no justice of the peace shall have jurisdiction of any civil cause where the amount in controversy shall exceed one hundred dollars, nor in a criminal cause where the punishment shall exceed three months' imprisonment, or a fine over one hundred dollars, nor in any cause involving the title to real estate.

"Judges for other courts to be elected. Sec. 9. All judges other than those provided for in this Constitution shall be elected by the electors of the judicial district, county, or city, for which they shall be created, not for a longer term than seven years.

"Vacancies; appointment by governor. Sec. 10. In case the office of any judge become vacant before the expiration of the regular term for which he was elected, the vacancy shall be filled

by appointment by the governor, until a successor is elected and qualified. And such successor shall be elected at the first annual election that occurs more than thirty days after the vacancy shall have happened.

"Prohibition, supreme or district judges to hold other offices or to be voted for office while in office. Sec. 11. The justices of the supreme court and the district courts shall hold no office under the United States, nor any other office under this State. And all votes for either of them for any elective office under this Constitution, except a judicial office given by the legislature or the people, during their continuance in office, shall be void.

"Change of judicial districts. Sec. 12. The legislature may at any time change the number of judicial districts or their boundaries, when it shall be deemed expedient; but no such change shall vacate the office of any judge.

"Clerk of court. Sec. 13. There shall be elected in each county where a district court shall be held, one clerk of said court, whose qualifications, duties and compensation shall be prescribed by law, and whose term of office shall be four years.

"Legal pleadings. Sec. 14. Legal pleadings and proceedings in the courts of this State shall be under the direction of the legislature. The style of all process shall be, 'The State of Minnesota,' and all indictments shall conclude, 'against the peace and dignity of the State of Minnesota.'

"Court commissioner; powers and jurisdiction. Sec. 15. The legislature may provide for the election of one person in each organized county in this State, to be called a court commissioner, with judicial power and jurisdiction not exceeding the power and jurisdiction of a judge of the district court at chambers; or the legislature may, instead of such election, confer such power and jurisdiction upon the judges of probate in the State."

If amended as proposed by the legislature, Article VI will read as follows:

**"ARTICLE VI
JUDICIARY"**

"Section 1. Judicial power. The judicial power of the state is hereby vested in a supreme court, a district court, a probate court, and such other courts, minor judicial officers

and commissioners with jurisdiction inferior to the district court as the legislature may establish.

"Sec. 2. Supreme Court. The supreme court shall consist of one chief judge and not less than six nor more than eight associate judges, as the legislature may establish. It shall have original jurisdiction in such remedial cases as may be prescribed by law, and appellate jurisdiction in all cases, but there shall be no trial by jury in said court.

"A judge of the district court may be assigned as provided by law temporarily to act as a judge of the supreme court upon its request.

"The supreme court shall appoint, to serve at its pleasure, a clerk, a reporter, a state law librarian, and such other employees as it may deem necessary.

"Sec. 3. Judicial Districts; District Judges. The number and boundaries of judicial districts shall be established or changed in the manner provided by law but the office of a district judge may not be abolished during his term. There shall be two or more district judges in each district. Each judge of the district court in any district shall be a resident of such district at the time of his selection and during his continuance in office.

"Sec. 4. District Court Clerks. There shall be elected in each county one clerk of the district court, whose qualifications and duties shall be prescribed by law, and whose term of office shall be four years. His compensation shall be prescribed by law and shall not be diminished during his term of office.

"Sec. 5. Jurisdiction of District Court. The district court shall have original jurisdiction in all civil and criminal cases, and shall have such appellate jurisdiction as may be prescribed by law.

"Sec. 6. Jurisdiction of Probate Court. The Probate Court shall have unlimited original jurisdiction in law and equity for the administration of the estates of deceased persons and all guardianship and incompetency proceedings, and such further jurisdiction as the legislature may establish, including jurisdiction over the administration of trust estates and for the determination of taxes contingent upon death. Until otherwise provided by law, each county shall constitute a probate court

district and there shall be one or more probate judges in each district. Each judge of the probate court in any district shall be a resident of such district at the time of his selection and during his continuance in office.

"Sec. 7. Qualifications; Compensation. Judges of the supreme court, the district court, and the probate court shall be learned in the law. The qualifications of all other judges and judicial officers shall be prescribed by law. The compensation of all judges shall be prescribed by the legislature and shall not be diminished during their term of office.

"Sec. 8. Terms of Office; Election; Vacancies; Reelection. The term of office of all judges shall be six years and until their successors are qualified, and they shall be elected in the manner provided by law by the electors of the state, district, county, municipality, or other territory wherein they are to serve.

"Sec. 9. Holding Other Office. Judges of the supreme court and the district court shall not hold any office under the United States except a commission in a reserve component of the military forces of the United States and shall not hold any other office under this state. The term of office of any such judge shall terminate at the time he files as a candidate for an elective office of the United States or for a nonjudicial office of this state.

"Sec. 10. Retirement. The legislature may provide by law for retirement of all judges, for the extension of the term of any judge who shall become eligible for retirement within three years after expiration of the term for which he is selected and for the removal of any judge who is incapacitated while in office.

"Sec. 11. Appointment. Whenever there is a vacancy in the office of judge the governor shall appoint in the manner provided by law a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six-year term at the next general election occurring more than one year after such appointment.

"Sec. 12. Retired Judges. As provided by law, a retired judge may be assigned to hear and decide any cause over which the court to which he is assigned shall have jurisdiction.

*SCHEDULE

"(a) All justices of the peace shall continue in office each for the remainder of his term which remains unexpired at the time this Article takes effect.

"(b) All probate judges in office at the time this Article takes effect shall be deemed learned in the law for the purpose of continuance in, and reelection to, any judicial office inferior to the district court.

"(c) All municipal courts in existence at the time this Article takes effect shall continue in existence until otherwise provided by law.

"(d) Salary schedules, in effect when this Article takes effect for the compensation of judges, court commissioners, clerks of court, and other court employees, shall remain in effect until otherwise prescribed by the legislature or provided by law.

"(e) Statutory provisions fixing the retirement compensation of judges, in effect when this Article takes effect shall remain in effect until otherwise provided by law.

"(f) The office of court commissioner in any county at the time this Article takes effect shall continue in existence until otherwise provided by law."

Considering in their consecutive order each of the 12 sections of the proposed amendment,

The Purpose and Effect of the Proposed Amendment

may be summarized as follows:

Section 1:

Its purposes are: (1) to establish one district court for the entire state (the present Constitution speaks of "district courts", whereas the proposed amendment speaks of "a district court"); (2) to remove justice of the peace courts from the Constitution; and (3) to

June 12, 1956

authorize the legislature, by a majority vote instead of a two-thirds vote as is presently required, to establish such courts (other than the supreme, district, and probate courts) and such minor judicial officers and commissioners inferior to the district court as the legislature may consider necessary.

The effect of the adoption of the amendment, in addition to accomplishing the purposes aforesaid, will also be: (1) the effect of establishing one district court for the entire state will be that a judge of one district may discharge the duties of a judge of any other district; (2) to eliminate from the Constitution the existing provisions relating to the election and jurisdiction of justices of the peace, provided, however, that each justice of the peace in office when the amendment is adopted will continue in office for the remainder of his term which then remains unexpired; (3) to continue in existence, until it is otherwise provided by law, (a) the office of court commissioner, (b) all municipal courts, and (c) salary schedules for the compensation of judges, court commissioners, clerks of court, and other court employees, in existence when the amendment takes effect.

Sec. 2:

Its purposes are: (1) to authorize the legislature to provide for not less than 6 nor more than 8 associate justices of the supreme court; (2) to provide that a judge of the district court may be assigned temporarily to act as a judge of the supreme court upon its request; (3) to provide that the clerk of the supreme court, who is presently elected for a term of 4 years, shall be appointed by the

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supreme court; and (4) to authorize the supreme court to appoint, in addition to the clerk, "a reporter, a state law librarian, and such other employees as it may deem necessary".

The effect of the adoption of the amendment, in addition to accomplishing the purposes last above stated, will also be the elimination of existing constitutional provisions which:

- (a) restrict the number of associate justices of the supreme court to 6,
- (b) authorize the governor to assign judges of the district court to serve on the supreme court in cases where all or a majority of the judges of the supreme court are disqualified,
- ✓(c) relate to the place of holding terms of the supreme court, and
- ✓(d) authorize the legislature to provide for supreme court terms at places other than the state capital.

Sec. 3:

Its purposes are: (1) to authorize the legislature to establish or change the number and boundaries of the judicial districts, subject to the restriction that the office of a district judge may not be abolished during his term; (2) to provide that there shall be 2 or more district judges in each district.

The effect of the adoption of the amendment, in addition to accomplishing the above stated purposes, will be to eliminate the existing provision that judicial districts "shall be composed of contiguous territory, be bounded by county lines, and contain a population as nearly equal as may be practicable".

Sec. 4:

Sec. 4 of the proposed amendment is substantially the same as the existing Sec. 13 of Article VI above quoted, relating to district court clerks. Under the proposed amendment it is further provided that the compensation of the clerk of the district court, to be prescribed by law, "shall not be diminished during his term of office".

Sec. 5:

Its purpose is to provide that the district court shall have original jurisdiction in all civil and criminal cases and such appellate jurisdiction as may be prescribed by law.

The effect thereof, if adopted, will be to eliminate the present limitation on the jurisdiction of the district court to civil cases where the amount in controversy exceeds \$100 and to criminal cases where the punishment exceeds 3 months' imprisonment or a fine of \$100.

Sec. 6:

Its purposes are: (1) to eliminate the present constitutional limitation on the jurisdiction of the probate court and to authorize the legislature to confer upon the probate court (in addition to the original jurisdiction conferred on said court by the Constitution for the administration of the estates of deceased persons and all guardianship and incompetency proceedings) such further jurisdiction as the legislature may determine; (2) to constitute, until otherwise provided by law, each county a probate court district and to provide that there shall be one or more probate judges in each district.

Sec. 7:

Its purposes are: (1) to add a constitutional requirement that, like judges of the supreme and district courts, judges of the probate

court shall be learned in the law and (2) to provide that the qualifications of all other judges and judicial officers shall be prescribed by law.

The effect of the adoption of the amendment, in addition to accomplishing the foregoing stated purposes, will also be that all probate judges in office at the time the amendment takes effect shall be deemed learned in the law for the purpose of continuance in and reelection to any judicial office inferior to the district court.

Sec. 8:

At the present time the judges of the supreme and district courts are elected for a term of 6 years, whereas probate judges and many municipal judges are elected for a 4-year term. The purposes and effect of this section of the proposed amendment are (1) to provide for a 6-year term for all judges and (2) to provide that all judges shall be elected in the manner provided by law.

Sec. 9:

Its purposes are (1) to continue the existing provision that judges of the supreme and district courts shall hold no office under the United States nor any other office under this state but to permit such judges to hold "a commission in a reserve component of the military forces of the United States" and (2) to provide that the term of office of any such judge shall terminate at the time he files as a candidate for an elective office of the United States or for a non-judicial office of this state.

The effect of the adoption of the amendment, in addition to accomplishing the foregoing purposes, will be the termination of the office of a judge of the supreme or district court at the time such judge files as a candidate for an elective office of the United States or for a nonjudicial office of the state; such judge, however, may run for election to another judicial office and will be permitted to continue to hold his office until he is elected to and qualifies for the other judicial office.

Sec. 10:

Its purposes are to authorize the legislature to provide for (1) the retirement of all judges, (2) the extension of the term of any judge who shall become eligible for retirement within 3 years after the expiration of the term for which he is selected, and (3) the removal of any judge who is incapacitated while in office.

This is a new section, and, if the proposed amendment is adopted, it will have the effect of accomplishing the purposes stated. Statutory provisions fixing the retirement compensation of judges in effect when the amendment takes effect remain in effect until otherwise provided by law.

Sec. 11:

Under the existing constitutional provision, where a vacancy in the office of any judge is filled by appointment by the governor, the appointee holds until his successor is elected, and his successor "shall be elected at the first annual election that occurs more than

thirty days after the vacancy shall have happened". The purpose of this section of the proposed amendment is to provide that the successor, in such case, shall be elected at the next general election occurring more than 1 year after such appointment.

The effect thereof will be that no judge appointed to fill the vacancy will be required to run for election until 1 year after his appointment, instead of 30 days as at present.

Sec. 12:

This is a new section. Its purpose and effect is to permit a retired judge to be assigned to hear and decide cases.

PROPOSED AMENDMENT RELATING
TO A CONSOLIDATED ARTICLE OF
PUBLIC HIGHWAYS

By L. 1955, c. 882, the legislature has proposed an amendment to the Constitution by including a consolidated article on public highways, to be known as Article XVI, taking the place of present Article XVI and Article IX, Section 16, and repealing inconsistent provisions of the Constitution.

The portion of existing Article IX, Section 5 proposed to be affected by the amendment reads as follows:

"* * * The state shall never contract any debts for works of internal improvements, or be a party in carrying on such works, except as authorized by Section 16 of Article 9, and by Article 16 of this Constitution, but it may levy an excise tax upon any substance, material, fluid, force or other means or instrumentality, or the business of dealing in, selling or producing any or all thereof, used or useful, in producing or generating power for propelling motor or other vehicles

used on the public highways of this State, and shall place two-thirds of the proceeds of such tax in the Trunk Highway Fund provided for in Section 2 of said Article 16, and one-third thereof in the State Road and Bridge Fund * * *."

Article IX, Section 16, proposed to be replaced by the amendment, presently reads as follows:

"State Road and Bridge Fund. Sec. 16. For the purpose of lending aid in the construction and improvement of public highways and bridges, there is hereby created a fund, to be known as the 'State road and bridge fund,' said fund shall include all moneys accruing from the income derived from investments in the internal improvement land fund, or that may hereafter accrue to said fund, and shall also include all funds accruing to any State road and bridge fund, however provided.

"The legislature is authorized to add to such fund, for the purpose of constructing or improving roads and bridges of this State, by providing, in its discretion, for an annual tax levy upon the property of this State of not to exceed in any one year one mill on all the taxable property within the State. Provided, that no county shall receive in any year more than three (3) per cent, or less than one-half (1/2) of one (1) per cent of the total fund thus provided and expended during such year."

Article XVI, Sections 1 to 5, inclusive, proposed to be replaced by the amendment, presently read as follows:

"ARTICLE XVI
(Adopted Nov. 2, 1920)
TRUNK HIGHWAY SYSTEM

"Establishment of routes. Section 1. There is hereby created and established a trunk highway system, which shall be located, constructed, reconstructed, improved and forever maintained as public highways, by the State of Minnesota. The said highways shall extend as nearly as may be along the following described routes, the more specific and definite location of which shall be fixed and determined by such boards, officers or tribunals, and in such manner as shall be prescribed by law, but in fixing such specific and definite routes there shall not be any deviation from the starting points or terminals set forth in this bill, nor shall there be any deviation in fixing such routes from the various villages and cities named herein, through which such routes are to pass.

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"Route No. 1. Beginning at a point on the boundary line between the States of Minnesota and Iowa, southeasterly at Albert Lea and thence extending in a northwesterly direction to a point in Albert Lea and thence extending in a northerly direction to a point on the southerly limits of the city of St. Paul and then beginning at a point on the northerly limits of the city of St. Paul and thence extending in a northerly direction to a point on the westerly limits of the city of Duluth and then beginning at a point on the northerly limits of the city of Duluth and thence extending in a north-easterly direction to a point on the boundary line between the State of Minnesota and the province of Ontario, affording Albert Lea, Owatonna, Faribault, Northfield, Farmington, St. Paul, White Bear, Forest Lake, Wyoming, Rush City, Pine City, Hinckley, Sandstone, Moose Lake, Carlton, Duluth, Two Harbors, Grand Marais and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 2. Beginning at a point on Route No. 1 on the westerly limits of the city of Duluth and thence extending in a southwesterly direction along said Route No. 1 to a point on said route at Carlton and thence extending in a westerly direction to a point on the east bank of the Red River of the North at Moorhead, affording Duluth, Carlton, McGregor, Aitkin, Brainerd, Motley, Staples,adena, Detroit, Moorhead, and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 3. Beginning at a point on the boundary line between the States of Minnesota and Wisconsin, westerly of La Crosse, Wisconsin, and thence extending in a northwesterly direction to a point on the easterly limits of the city of St. Paul and then beginning at a point on the westerly limits of the city of Minneapolis and thence extending in a northwesterly direction to a point on the east bank of the Red River of the North at Breckenridge, affording La Crescent, Winona, Kellogg, Wabasha, Lake City, Red Wing, Hastings, St. Paul, Minneapolis, Osseo, Champlin, Anoka, Elk River, Big Lake, St. Cloud, Albany, Sauk Center, Alexandria, Elbow Lake, Fergus Falls, Breckenridge, and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 4. Beginning at a point on the boundary line between the States of Minnesota and Iowa, southwesterly of Jackson and thence extending in a northerly direction to a point on Route No. 3, southeasterly of Sauk Center and thence extending in a northwesterly direction along said Route No. 3 to a point on said route at Sauk Center and thence extending in a northerly direction to a point at International Falls, affording Jackson, Windom, Sanborn, Redwood Falls, Morton, Olivia, Willmar, Paynesville, Sauk Center, Long Prairie, Wadena, Park Rapids, Itasca State Park, Bemidji, International Falls and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 5. Beginning at a point on the boundary line between the States of Minnesota and Iowa, southerly of Blue Earth, and thence extending in a northeasterly direction to a point on the southerly limits of the city of Minneapolis and then beginning at a point on the northerly limits of the city of Minneapolis and thence extending in a northerly direction to a point in Swan River on Route No. 8, hereinafter described, affording Blue Earth, Winnebago, Mankato, St. Peter, Le Sueur, Jordan, Shakopee, Minneapolis, Cambridge, Mora, McGregor, Swan River and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 6. Beginning at a point on the boundary line between the States of Minnesota and Iowa, southerly of Ash Creek, and thence extending in a northerly direction to a point on the boundary line between the State of Minnesota and the province of Manitoba, near St. Vincent, affording Luverne, Pipestone, Lake Benton, Ivanhoe, Canby, Madison, Bellingham, Osessa, Ortonville, Graceville, Dumont, Wheaton, Breckenridge, Moorhead, Krahnos, Georgetown, Perley, Hendrum, Ada, Crookston, Warren, Donaldson, Hallock and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 7. Beginning at a point on Route No. 3 at Winona and thence extending in a westerly direction to a point on the boundary line between the States of Minnesota and South Dakota, westerly of Lake Benton, affording Winona, St. Charles, Rochester, Kasson, Dodge Center, Claremont, Owatonna, Waseca, Mankato, St. Peter, New Ulm, Springfield, Tracy, Lake Benton and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 8. Beginning at a point on the westerly limits of the city of Duluth and thence extending in a northwesterly direction to a point on Route No. 6 near Crookston and thence extending in a westerly and northerly direction along said Route No. 6 to a point on said route northerly of Crookston and thence extending in a northwesterly direction to a point on the east bank of the Red River of the North at East Grand Forks, affording Duluth, Floodwood, Swan River, Grand Rapids, Cass Lake, Bemidji, Bagley, Erskine, Crookston, East Grand Forks and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 9. Beginning at a point on Route No. 3 at La Crescent and thence extending in a westerly direction to a point on the boundary line between the States of Minnesota and South Dakota southwesterly of Beaver Creek, affording La Crescent, Hokah, Houston, Rushford, Lanesboro, Preston, Fountain, Spring Valley, Austin, Albert Lea, Blue Earth, Fairmont, Jackson, Worthington, Luverne and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 10. Beginning at a point on the westerly limits of the city of Minneapolis and thence extending in a northwesterly direction to a point on Route No. 6 at or near Wheaton, affording Minneapolis, Montrose, Cokato, Litchfield, Willmar, Benson, Morris, Herman, Wheaton and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 11. Beginning at a point on Route No. 8 at the westerly limits of the city of Duluth and thence extending in a northwesterly and northerly direction to a point on Route No. 4 at International Falls and thence extending in a southwesterly direction along said Route No. 4 to a point on said route southwesterly of International Falls and thence extending in a westerly direction to a point on Route No. 6 at Donaldson, affording Duluth, Eveleth, Virginia, Cook, Orr, Cussons, International Falls, Baudette, Warroad, Roseau, Greenbush, Donaldson and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 12. Beginning at a point on the west bank of the St. Croix River near Hudson, Wisconsin, and thence extending in a westerly direction to a point on the easterly limits of the city of St. Paul and then beginning at a point on the

westerly limits of the city of Minneapolis and thence extending in a westerly direction to a point on Route No. 6 at Madison, affording St. Paul, Minneapolis, Hopkins, Norwood, Glencoe, Olivia, Granite Falls, Montevideo, Dawson, Madison and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 13. Beginning at a point on Route No. 9 at Albert Lea and thence extending in a northerly direction to a point on Route No. 5 at Jordan affording Albert Lea, Waseca, Waterville, Montgomery, New Prague, Jordan and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 14. Beginning at a point on Route No. 6 at Ivanhoe and thence extending in an easterly direction to a point on Route No. 4 at Redwood Falls and thence extending in an easterly direction along said Route No. 4 to a point on said route at Morton and thence extending in an easterly direction to a point on Route No. 22, hereinafter described, at Gaylord affording Ivanhoe, Marshall, Redwood Falls, Morton, Winthrop, Gaylord and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 15. Beginning at a point on the boundary line between the States of Minnesota and Iowa southerly of Fairmont and thence extending in a northerly direction to a point on Route No. 14 at Winthrop, affording Fairmont, Madelia, New Ulm, Winthrop and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 16. Beginning at a point on Route No. 5 southwesterly of Mankato and thence extending westerly to a point on Route No. 15 at Madelia and thence extending in a southerly direction along said Route No. 15 to a point on said route southerly of Madelia and thence extending in a westerly direction to a point on Route No. 4 northerly of Windom and thence extending in a southerly direction along said Route No. 4 to a point on said route at Windom and thence extending in a westerly direction to a point at Fulda and thence extending in a southerly direction to a point on Route No. 9 at Worthington, affording Mankato, Madelia, St. James, Windom,

Fulda, Worthington and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 17. Beginning at a point on Route No. 16 at Fulda and thence extending in a northerly direction to a point on Route No. 12 at Granite Falls, affording Fulda, Slayton, Garvin, Marshall, Granite Falls and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 18. Beginning at a point on Route No. 3 at Elk River and thence extending in a northerly direction to a point on Route No. 2 easterly of Brainerd, affording Elk River, Princeton, Milaca, Onamia and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 19. Beginning at a point on Route No. 2 at Brainerd and thence extending in a northwesterly direction to a point on Route No. 8 at Cass Lake, affording Brainerd, Pine River, Walker, Cass Lake and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 20. Beginning at a point on the boundary line between the States of Minnesota and Iowa near Canton and thence extending in a northwesterly direction to a point on Route No. 9 at or near Preston and thence extending in a northwesterly direction along said Route No. 9 to a point on said route at Fountain and thence extending in a northwesterly direction to a point on Route No. 3 in the town of Douglas, Dakota county (T. 113, R. 17 W.) affording Canton, Harmony, Preston, Fountain, Chatfield, Oronoco, Pine Island, Zumbrota, Cannon Falls and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 21. Beginning at a point on Route No. 20 at Zumbrota and thence extending in a westerly direction to a point on Route No. 5, at St. Peter, affording Zumbrota, Kenyon, Faribault, Le Sueur Center, Cleveland, St. Peter and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 22. Beginning at a point on Route No. 5 at St. Peter and thence extending in a northwesterly direction to a point on Route No. 4 at Paynesville, affording St. Peter, Gaylord, Glencoe, Hutchinson, Litchfield, Paynesville and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 23. Beginning at a point on Route No. 4 at Paynesville and thence extending in a northeasterly direction through the village of Richmond, Coldspring, Rockville and Waite Park to a point on Route No. 3 westerly of St. Cloud, and thence extending in a northeasterly direction to a point on Route No. 5 southerly of Mora, and thence extending in a northerly direction along said Route No. 5 to a point on said route at Mora, and thence extending in an easterly direction to a point on Route No. 1 southerly of Hinckley, affording Paynesville, St. Cloud, Foley, Milaca, Ogilvie, Mora and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 24. Beginning at a point on Route No. 10 at Litchfield and thence extending in a northeasterly direction to a point on Route No. 3 at St. Cloud, affording Litchfield, St. Cloud and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 25. Beginning at a point on Route No. 5 at or near Belle Plaine and thence extending in a northerly direction to a point on Route No. 3 at Big Lake, affording Belle Plaine, Nerwood, Watertown, Montrose, Buffalo, Monticello, Big Lake and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 26. Beginning at a point on Route No. 10 at Benson and thence extending in a westerly direction to a point on Route No. 6 near Ortonville, affording Benson, Ortonville and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 27. Beginning at a point on Route No. 3 at St. Cloud and thence extending in a northerly direction to a point on Route No. 2 at Brainerd, affording St. Cloud, Sauk Rapids, Royalton, Little Falls, Brainerd and intervening and adjacent communities a reasonable means of communication each with the other and other places within the State.

"Route No. 28. Beginning at a point on Route No. 27 at Little Falls and thence extending in a southwesterly direction to a point on the boundary line between the States of Minnesota and South Dakota at Browns Valley, affording Little Falls, Sauk Center, Glenwood, Starbuck, Morris, Graceville, Browns Valley and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 29. Beginning at a point on Route No. 28 at Glenwood and thence extending in a northerly direction to a point on Route No. 2 westerly of Wadena, affording Glenwood, Alexandria, Parkers Prairie, Deer Creek and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the State.

"Route No. 30. Beginning at a point on Route No. 3 at Fergus Falls, and thence extending in a northerly direction to a point on Route No. 8 at Erskine, affording Fergus Falls, Pelican Rapids, Detroit, Mahanomen, Erskine and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 31. Beginning at a point on Route No. 6 at Ada, and thence extending in an easterly direction to a point on Route No. 30 near Mahanomen, affording Ada, Mahanomen and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 32. Beginning at a point on Route No. 8 easterly of Crookston and thence extending in a northerly direction to a point on Route No. 11 at Greenbush, affording Red Lake Falls, Thief River Falls, Middle River, Greenbush and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 33. Beginning at a point on Route No. 32 at Thief River Falls and thence extending in a northwesterly direction to a point on Route No. 6, at Warren, affording Thief River Falls, Warren and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 34. Beginning at a point on Route No. 2 at Detroit and thence extending in a northeasterly direction to a point on Route No. 8 westerly of Grand Rapids, affording Detroit, Park Rapids, Walker, Remer, Grand Rapids and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 35. Beginning at a point on Route No. 18 near Mille Lacs Lake and thence extending in a northerly direction to a point at Grand Rapids and thence extending in a northeasterly direction to a point at Ely, affording Aitkin, Grand Rapids, Hibbing, Chisholm, Buhl, Mountain Iron, Virginia, Gilbert, McKinley, Biwabik, Aurora, Tower and Ely and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 36. Beginning at a point on Route No. 3 at Fergus Falls and thence extending in an easterly direction to a point on Route No. 29 easterly of Henning, affording Fergus Falls, Henning and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 37. Beginning at a point on Route No. 27 at Little Falls and thence extending in a northwesterly direction to a point on Route No. 2 at Motley, affording Little Falls, Motley and intervening and adjacent communities a reasonable means of communication each with the other and other places within the state.

"Route No. 38. Beginning at a point on Route No. 12 at Montevideo and thence extending in a northerly direction to a point on Route No. 28 at Starbuck, affording Montevideo, Benson, Starbuck and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 39. Beginning at a point on Route No. 7 at Mankato and thence extending in a southeasterly direction to a point on Route No. 9 westerly of Albert Lea, affording Mankato, Mapleton, Minnesota Lake, Wells and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 40. Beginning at a point on the boundary line between the states of Minnesota and Iowa at Lyle and thence extending in a northwesterly direction to a point on Route No. 7 at Owatonna, affording Lyle, Austin, Blooming Prairie, Owatonna and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 41. Beginning at a point on Route No. 40 at or near Blooming Prairie and thence extending in an easterly direction to a point on Route No. 56, hereinafter described, near Hayfield, affording Blooming Prairie, Hayfield and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 42. Beginning at a point on Route No. 7 easterly of Rochester and thence extending in a northeasterly direction to a point on Route No. 3 at Kellogg, affording Rochester, Elgin, Plainview, Kellogg and intervening and adjacent communities a reasonable means of communication each with the other and other places within the state.

"Route No. 43. Beginning at a point on Route No. 9 at Rushford and thence extending in a northeasterly direction to a point on Route No. 3 at Winona, affording Rushford, Winona and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 44. Beginning at a point on Route No. 9 at Hokah and thence extending in a southwesterly direction to a point on Route No. 20 near Canton, affording Hokah, Caledonia, Canton and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 45. Beginning at a point on the west bank of the St. Croix River at Stillwater and thence extending in a southwesterly direction to a point on the easterly limits of the city of St. Paul, affording Stillwater, Lake Elmo, St. Paul and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 46. Beginning at a point on the west bank of the St. Croix River at Taylors Falls and thence extending in a southwesterly direction to a point on Route No. 1 near Wyoming, affording Taylors Falls, Center City, Wyoming and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 47. Beginning at a point on Route No. 17 at Slayton and thence extending in a westerly direction to a point on Route No. 6 at Pipestone, affording Slayton, Pipestone and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 48. Beginning at a point on Route No. 17 westerly of Granite Falls and thence extending in a westerly direction to a point on Route No. 6 at Canby, affording Granite Falls, Clarkfield, Canby and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 49. Beginning at a point on Route No. 12 easterly of Montevideo and thence extending in a northeasterly direction to a point on Route No. 4 southerly of Willmar, affording Montevideo, Clara City, Willmar and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 50. Beginning at a point on Route No. 20 at Cannon Falls and thence extending in a northwesterly direction to a point on the southerly limits of the city of Minneapolis, affording Cannon Falls, Farmington, Minneapolis and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 51. Beginning at a point on Route No. 5 at Shakopee and thence extending in a northerly direction to a point on Route No. 12 northerly of Shakopee, affording a connection between said Route No. 5 and said Route No. 12.

"Route No. 52. Beginning at a point on Route No. 5 south of the city of Minneapolis and thence extending in a northeasterly direction to a point on the westerly limits of the United States Military reservation at Fort Snelling, affording St. Paul and adjacent communities a reasonable communication with said Route No. 5.

"Route No. 53. Beginning at a point on Route No. 3 at Hastings and thence extending in a northwesterly direction to a point on the southerly limits of the city of South St. Paul, affording Hastings, South St. Paul and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 54. Beginning at a point on Route No. 3 at Elbow Lake and thence extending in a southwesterly direction to a point on Route No. 10 at Herman, affording Elbow Lake, Herman and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 55. Beginning at a point on Route No. 2 northwesterly of Carlton and thence extending in a northerly direction to a point in Cloquet, affording Carlton, Cloquet and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 56. Beginning at a point on Route No. 9 easterly of Austin and thence extending in a northerly direction to a point on Route No. 21 at or near Kenyon, affording Brownsdale, Hayfield, Dodge Center, West Concord, Kenyon and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 57. Beginning at a point in Mantorville and extending in a southerly direction to a point on Route No. 7 southerly of Mantorville, affording Mantorville a reasonable means of communication with said Route No. 7.

"Route No. 58. Beginning at a point on Route No. 20 at Zumbrota and thence extending in a northeasterly direction to a point on Route No. 3 at Red Wing, affording Zumbrota, Red Wing and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 59. Beginning at a point on the boundary line between the states of Minnesota and Iowa southerly of Spring Valley and thence extending in a northerly direction to a point on Route No. 3 at Lake City, affording Spring Valley, Stewartville, Rochester, Zumbro Falls, Lake City and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

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"Route No. 60. Beginning at a point on Route No. 1 at Faribault and thence extending in a southwesterly direction to a point on Route No. 7 at or near Madison Lake, affording Faribault, Morristown, Waterville, Madison Lake and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 61. Beginning at a point on Route No. 8 at Deer River and thence extending in a northerly direction to a point on Route No. 4 at or near Big Falls, affording Deer River, Big Falls and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 62. Beginning at a point on Route No. 3 at Anoka and thence extending in a southeasterly direction to a point on the northerly limits of the city of St. Paul, affording Anoka, St. Paul and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 63. Beginning at a point on Route No. 1 southerly of Forest Lake and thence extending in a southwesterly direction to a point on the northerly and easterly limits of the city of Minneapolis, affording a reasonable means of communication between Route No. 1 and Minneapolis.

"Route No. 64. Beginning at a point on Route No. 30 northerly of Fergus Falls and thence extending in a northerly and westerly direction to a point on Route No. 6 southerly of Moorhead, affording Fergus Falls, Rothsay, Barnesville, Moorhead and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 65. Beginning at a point on Route No. 8 at Bagley and thence extending in a northerly and westerly direction to a point on Route No. 32 southerly of Red Lake Falls, affording Bagley, Clearbrook, Gonvick, Gully, Brooks, Terrebonne and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 66. Beginning at a point on Route No. 12 at Montevideo and thence extending in a northwesterly direction to a point on Route No. 26 northerly of Appleton, affording Montevideo, Appleton and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 67. Beginning at a point on Route No. 14 southerly of Echo and thence extending in a northerly and westerly direction to a point on Route No. 17 at or near Granite Falls, affording Echo, Granite Falls and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 68. Beginning at a point on Route No. 14 at Marshall and thence extending in a northwesterly direction to a point on Route No. 6 near Canby, affording Marshall, Minnesota, Canby and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 69. Beginning at a point on Route No. 25 at Buffalo and thence extending in a northwesterly direction to a point on Route No. 22 southeasterly of Paynesville, affording Buffalo, Maple Lake, Annandale, Eden Valley, Paynesville and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Route No. 70. Beginning at a point on Route No. 7 westerly of New Ulm and thence extending in a northerly direction to a point on Route No. 12 at or near the village of Hector, affording Fort Ridgely, Fairfax, Hector and intervening and adjacent communities a reasonable means of communication, each with the other and other places within the state.

"Additional Routes. Whenever, either by reason of the creation of a new county, or by reason of the change of the county seat of any existing county, any city or village not a county seat at the time of the adoption of this amendment is lawfully constituted the county seat of any county, the legislature is authorized to add to the trunk highway system such additional routes connecting such newly constituted county seats with other county seats and other points in the state.

"When after at least seventy-five (75) per cent of the total number of the miles of the routes embraced in the trunk highway system hereinbefore specified shall have been constructed and permanently improved, the legislature shall have authority to add new routes to such trunk highway system; provided, however, that no such new routes shall be added until and unless the funds available for the construction, improvement and maintenance of such additional routes shall be sufficient therefor in addition to the construction, improvement and maintenance of the several routes hereinbefore specifically described.

"Creation and use of sinking fund. Section 2. There is hereby created a fund which shall be known as the trunk highway sinking fund. Said fund shall consist of the proceeds of any tax imposed on motor vehicles as herein authorized. The moneys in said fund shall be used for the payment of the principal and interest of any bonds which may be issued under the authority of this article; and any moneys in excess of such requirements

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shall be transferred to a fund which is hereby created and which shall be known as the trunk highway fund. The trunk highway fund shall be used solely for the purposes specified in section 1 of this article, and when duly authorized by legislative enactment to reimburse any county for the money expended by it subsequent to February 1st, 1919, in permanently improving any road hereinbefore specifically described, in accordance with plans and specifications therefor approved by the commissioner of highways.

"Motor vehicle tax. Section 3. The legislature is hereby authorized to provide, by law, for the taxation of motor vehicles, using the public streets and highways of this state, on a more onerous basis than other personal property; provided, however, that any such tax on motor vehicles shall be in lieu of all other taxes thereon, except wheelage taxes, so-called, which may be imposed by any borough, city or village, and except that the legislature may impose such tax upon motor vehicles of companies paying taxes under gross earnings system of taxation and upon the right to use such vehicles upon the public highways notwithstanding the fact that earnings from such vehicles may be included in the earnings of such companies upon which such gross earnings taxes are computed. Any such law may, in the discretion of the legislature, provide for the exemption from taxation of any motor vehicle owned by a nonresident of the state, and transiently or temporarily using the streets and highways of the state. The proceeds of such tax shall be paid in to said trunk highway sinking fund.

"Sale of bonds: payment. Section 4. The legislature may provide by law for the issue and sale of the bonds of the state in such amount as may be necessary to carry out the provisions of section 1 of this article, provided, however, that the amount of bonds which may be issued in any one calendar year shall not exceed, in the aggregate, ten million dollars, par value, and provided, further, the total amount of such bonds issued and unpaid shall not at any time exceed seventy-five million dollars, par value. The proceeds of the sale of such bonds shall be paid into the treasury of the state and credited to the trunk highway fund. Any bonds so issued and sold shall be for a term not exceeding twenty (20) years. They shall not be sold for less than par and accrued interest and shall not bear interest at a greater rate than five per cent per annum. In case the trunk highway sinking fund shall not be adequate to meet the payment of the principal and interest of the bonds authorized by the legislature as hereinbefore provided, the legislature may provide by law for the taxation of all taxable property of the state in

an amount sufficient to meet the deficiency, or it may, in its discretion, appropriate to such sinking fund moneys in the state treasury not otherwise appropriated.

"Repeal of inconsistent provisions. Section 5. Any and all provisions of the constitution of the state of Minnesota inconsistent with the provisions of this Article, are hereby repealed, so far, but only so far, as the same prohibit or limit the power of the legislature to enact laws authorizing or permitting the doing of the things hereinbefore authorized."

If amended as proposed by the legislature, Article XVI will read as follows:

"ARTICLE XVI
PUBLIC HIGHWAYS

"Authority of state. Section 1. Subject to the limitations of this article the state may establish, locate, construct, reconstruct, improve and maintain public highways and may assist political subdivisions in such work.

"Trunk highway system. Sec. 2. There is hereby created a trunk highway system which shall be established, located, constructed, reconstructed, improved and maintained as public highways by the state. Said trunk highway system shall consist of the trunk highway routes numbered 1 through 70 described in the constitutional amendment adopted November 2, 1920, the trunk highway routes added to said foregoing routes by the legislature prior to the effective date of this article, and such additional routes as may be added to the trunk highway system hereby created pursuant to authority in this article contained. The said highways shall extend as nearly as may be along the routes number 1 through 70 described in said constitutional amendment adopted November 2, 1920, and the routes described in any act of the legislature which has made or will hereafter make a route a part of the said trunk highway system. The more specific and definite location of said routes shall be fixed and determined by such boards, officers or tribunals and in such manner as shall be prescribed by law, but in fixing such specific and definite routes there shall not be any deviation from the starting points or terminals set forth in said routes nor shall there be any deviation in fixing such routes from the various villages and cities named therein through which such routes are to pass.

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"The legislature may add by law new routes to said trunk highway system. Said trunk highway system shall not exceed 12,200 miles in extent, provided however that the legislature may add by law trunk highways to said system in excess of said foregoing mileage limitation as the legislature may determine as necessary or expedient to meet, use, or otherwise take advantage of any federal aid made available by the United States to the State of Minnesota for highway purposes.

"Any route added by the legislature to the trunk highway system either prior or subsequent to the effective date of this article may be altered, amended, relocated, changed or removed from said system, as provided by law. The definite location of said trunk highways numbered 1 through 70 heretofore fixed pursuant to this article may be thereafter changed and relocated as provided by law but no such change or relocation shall be authorized which would cause a deviation from the starting points or terminals set forth in said routes nor cause any deviation from the various villages and cities named therein through which such routes are to pass.

"County state-aid highway system. Sec. 3. The legislature is hereby authorized to provide by law for the establishment of a system of county state-aid highways. The county state-aid highway system shall be established, located, constructed, reconstructed, improved and maintained by the counties as public highways in such manner as shall be provided by law. Such system shall include streets in cities, villages, and boroughs of less than 5,000 population where necessary, as provided by law, to provide an integrated and coordinated highway system and it may include similar streets in other cities, villages, and boroughs. The county state-aid highway system as herein authorized shall not exceed 30,000 miles in extent, provided however that said limitation of 30,000 miles may be increased or decreased by the legislature by law.

"Municipal state-aid street system. Sec. 4. The legislature is hereby authorized to provide by law for the establishment of a system of municipal state-aid streets within cities, villages and boroughs having a population of 5,000 or more. The municipal state-aid street system shall be established, located, constructed, reconstructed, improved and maintained as public highways by such cities, villages and boroughs in such manner as shall be provided by law. The municipal state-aid street system as herein authorized shall not exceed 1,200 miles in extent, provided that said limitation of 1,200 miles may be increased or decreased by the legislature by law.

"Highway user tax distribution fund. Sec. 5. There is hereby created a fund which shall be known as the highway user tax distribution fund. The highway user tax distribution fund shall be used solely for highway purposes as specified in this article. Said fund shall consist of the proceeds of any taxes authorized to be imposed by sections 9 and 10 of this article. After the deduction of collection costs as provided by law and the payment of refunds authorized by law, the net proceeds of such taxes shall be transferred to the following funds in the following proportions; 62 percent to the trunk highway fund; 29 percent to the county state-aid highway fund; nine percent to the municipal state-aid street fund. After January 1, 1963, the legislature is authorized to provide by law that five percent of the net proceeds of the highway user tax distribution fund may be set aside and if so set aside shall be apportioned as provided by law to one or more of the three foregoing funds on such basis as the legislature may determine. After said five percent may have been so set aside the balance of the highway user tax distribution fund shall in all events be transferred to the trunk highway fund, the county state aid highway fund, and the municipal state aid street fund in accordance with the percentages hereinbefore set forth. No change in the apportionment of the proceeds so set aside shall be made within six years of the commencement of the year in which the last previous change occurred.

"Trunk highway fund. Sec. 6. There is hereby created a trunk highway fund which shall be used solely for the purposes specified in section 2 of this article and the payment of principal and interest of any bonds which may be issued under the authority of section 12 of this article and any bonds issued for trunk highway purposes under the constitution prior to July 1, 1957. All payments of principal and interest on any such bonds issued shall be a first charge on moneys coming into this fund during the year in which such principal or interest is payable. The fund created by this section shall also be used for the carrying on of work undertaken and the discharge of obligations incurred payable out of or chargeable to the trunk highway fund or the trunk highway sinking fund constituted and established by the constitution prior to July 1, 1957, and all moneys in said funds on the effective date of this article are hereby transferred to the fund created by this section.

"County state-aid highway fund. Sec. 7. There is hereby created a county state-aid highway fund. Said fund shall, in addition to the share of the highway user tax distribution fund

transferred to it by section 5, receive and include all moneys accruing from the income derived from investments in the internal improvement land fund. All moneys in the state road and bridge fund as constituted and established by the constitution prior to July 1, 1957, are hereby transferred on the effective date of this article to the fund created by this section. To render aid for highway purposes the county state-aid highway fund shall be apportioned among the counties as provided by law. Except as provided herein, the funds apportioned shall be used by the counties as provided by law for aid in the establishment, location, construction, reconstruction, improvement and maintenance of county state-aid highways. The legislature may authorize the counties, as provided by law, to use a part of said funds so apportioned to them to render aid in the establishment, location, construction, reconstruction, improvement and maintenance of other county highways, township roads, municipal streets, and any other public highways, including but not limited to trunk highways and municipal state-aid streets within the respective counties.

"Municipal state-aid street fund. Sec. 8. There is hereby created a municipal state-aid street fund. To render aid for highway purposes the municipal state-aid street fund shall be apportioned as provided by law among the cities, villages and boroughs having a population of 5,000 or more. Except as provided herein, the funds apportioned shall be used by such cities, villages and boroughs as provided by law for aid in the establishment, location, construction, reconstruction, improvement and maintenance of municipal state-aid streets. The legislature may authorize such cities, villages and boroughs, as provided by law, to use a part of said funds so apportioned to them to render aid in the establishment, location, construction, reconstruction, improvement and maintenance of other municipal streets and any other public streets, including but not limited to trunk highways within such cities, villages and boroughs and county state-aid highways within the counties wherein such cities, villages and boroughs are located.

"Taxation of motor vehicles. Sec. 9. The legislature is hereby authorized to provide by law for the taxation of motor vehicles using the public streets and highways of this state on a more onerous basis than other personal property; provided, however, that any such tax on motor vehicles shall be in lieu of all other taxes thereon, except wheelage taxes imposed by political subdivisions solely for highway purposes and except that the legislature may impose such tax upon motor vehicles of companies paying taxes under gross earnings system of taxation and upon the

right to use such vehicles upon the public highways notwithstanding the fact that earnings from such vehicles may be included in the earnings of such companies upon which such gross earnings taxes are computed. Any such law may, in the discretion of the legislature, provide for the exemption from taxation of any motor vehicle owned by a nonresident of the state but properly licensed in another state, and transiently or temporarily using the streets and highways of the state. The proceeds of such tax shall be paid into highway user tax distribution fund.

"Taxation of motor fuel. Sec. 10. The state may levy an excise tax upon any substance, material, fluid, force or other means or instrumentality, or the business of dealing in, selling or producing any or all thereof, used or useful, in producing or generating power for propelling motor or other vehicles used on the public highways of this state. The proceeds of such tax shall be paid into the highway user tax distribution fund.

"Participation of political subdivisions in trunk highway work. Sec. 11. The legislature may authorize any political subdivision, upon such terms, conditions and in such manner as shall be provided by law, to aid or lend aid in the establishment, location, construction, reconstruction, improvement and maintenance of trunk highways within their respective boundaries. The enumeration as in this section contained of the power of the legislature to authorize political subdivisions to participate in trunk highway work shall never operate or be construed so as to limit, prejudice or curtail in any degree or manner whatsoever any power or authority now vested in the legislature concerning or relating to any other public highways.

"Bonds. Sec. 12. The legislature may provide by law for the issue and sale of the bonds of the state in such amount as may be necessary to carry out the provisions of section 2 of this article; provided, however, that the total amount of such bonds issued and unpaid shall not at any time exceed \$150,000,000, par value. The proceeds of the sale of such bonds shall be paid into the trunk highway fund. Any bonds so issued and sold shall mature serially over a term not exceeding 20 years. They shall not be sold for less than par and accrued interest and shall not bear interest at a greater rate than five percent per annum. In case the trunk highway fund shall not be adequate to meet the payment of the principal and interest of the bonds authorized by the legislature as hereinbefore provided, the legislature may provide by law for the taxation of all taxable property of the state in an amount sufficient to meet the deficiency, or it may, in its discretion, appropriate to such fund moneys in the state treasury not otherwise appropriated.

"Supersedure; repeal of inconsistent provisions. Sec. 13. Article XVI and Article IX, section 16, are hereby superseded in their entirety; and any and all provisions of the constitution of the State of Minnesota inconsistent herewith are repealed so far but only so far as the same prohibit or limit the power of the legislature to enact laws authorizing or permitting the doing of the things hereinbefore authorized.

"Effective date. Sec. 14. This article shall take effect on the first day of July, 1957."

The Purpose and Effect of Each Section of the Proposed Amendment

may be summarized as follows:

Section 1: The state, acting alone or with political subdivisions, is authorized to provide and maintain highways.

Sec. 2: A trunk highway system is created, defined, and established. Said trunk highway system shall consist of the trunk highway routes numbered 1 through 70 described in the constitutional amendment adopted November 2, 1920, the trunk highway routes added to said foregoing routes by the legislature prior to the effective date of this article, and such additional routes as may be added to the trunk highway system hereby created pursuant to authority in this article contained.

Sec. 3: The legislature is authorized to provide by law for county state-aid highways, including streets in municipalities under county authority. The total length shall not exceed 30,000 miles unless said length is increased or decreased by act of legislature.

Sec. 4: The legislature may establish and maintain a system of municipal state-aid streets in cities, villages or boroughs having a population of 5,000 or more. The total length shall not exceed 1,200 miles unless said length is increased or decreased by act of the legislature.

Sec. 5: A highway user tax distribution fund is created, to be used only for the highway purposes specified and consisting of proceeds from taxes on (1) motor vehicles using the highways and (2) motor vehicle fuel. The costs of collection of such tax and refunds are paid out of such fund. The net proceeds remaining are transferred to the following funds in the following proportions: 62 percent to the trunk highway fund; 29 percent to the county state-aid highway fund; 9 percent to the municipal state-aid street fund. After January 1, 1963, the legislature may set aside 5 percent of the net proceeds of the highway user tax distribution fund and apportion the same to one or more of the three foregoing funds, and the balance remaining shall be transferred to the three funds in the percentages stated.

Sec. 6: A trunk highway fund is created for purposes referred to in Sec. 2 of this article. This fund replaces the trunk highway fund and the highway sinking fund of present Article XVI, Section 2.

Sec. 7: A county state-aid highway fund is created. Said fund includes (1) moneys received from the highway user tax distribution fund, (2) income accruing from investments in the internal improvement land fund, and (3) the balance remaining in the state road and bridge fund on July 1, 1957. Said fund shall be apportioned among the counties and used by the counties as provided by law for the county state-aid highways, except that the legislature may authorize the counties to use a part of said funds so appropriated to them to render aid to other county highways, township roads, municipal streets, and other public highways, including trunk highways and municipal state-aid streets within the respective counties.

Sec. 8: A municipal state-aid street fund is created to render aid for highway purposes. Said fund shall be apportioned as provided by law among cities, villages and boroughs having a population of 5,000 or more for municipal state-aid streets, except that the legislature may authorize the use of part of said funds to aid other municipal streets and any other public streets, including trunk highways within such cities, villages, and boroughs, and county state-aid highways within the counties wherein such cities, villages, and boroughs are located.

Sec. 9: The legislature is authorized to enact laws for the taxation, on a more onerous basis than other personal property, of motor vehicles using the streets and highways of the state. This supersedes present Article XVI, Section 3 and differs from it in these particulars: Use of the words "political subdivisions" enlarges definition of governmental units permitted to levy the wheelage taxes (the article uses the words "borough, city or village"). Said wheelage taxes must be used "solely for highway purposes" (the present article does not contain these words). The legislature is authorized to provide for exemption from taxation of motor vehicles owned by nonresidents and transiently or temporarily using the streets and highways of the state, and this section adds that such motor vehicles must be "properly licensed in another state". Proceeds of such tax shall be paid into highway user tax distribution fund.

Sec. 10: The legislature may tax motor fuel used or useful in generating power for propelling vehicles used on the public highways of the state and may also tax the business of dealing therein. Proceeds of such tax shall be paid into the highway user tax distribution fund.

Sec. 11: The legislature may enact laws permitting political subdivisions to aid in the establishment, location, construction, reconstruction, improvement, and maintenance of trunk highways within their respective boundaries.

Sec. 12: The legislature may provide by law for the issue and sale of bonds of the state to carry out the provisions of Sec. 2 of this article. The total amount of such bonds outstanding at one time shall not exceed \$150,000,000 (present limit \$75,000,000) par value. Present yearly limitation on issuance of such bonds is removed. The bonds mature serially over a term not exceeding 20 years and are to be sold for not less than par plus accrued interest, and interest must not exceed 5% per annum. The proceeds from such sale shall be paid into the trunk highway fund.

Sec. 13: Article XVI and Article IX, Section 16 are superseded. All inconsistent provisions of present constitution are repealed.

Sec. 14: This article shall take effect on July 1, 1957.

PROPOSED AMENDMENT RELATING TO
THE OCCUPATION TAX ON THE BUSINESS
OF MINING OR PRODUCING IRON ORE
OR OTHER ORE IN THIS STATE AND
THE APPORTIONMENT AND DISTRIBUTION
OF THE PROCEEDS THEREFROM

By L. Ex. Sess. 1955, c. 6, the legislature has proposed an amendment to Article IX, Section 1A of the Constitution.

The portion of existing Section 1A of Article IX proposed to be amended reads as follows:

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" * * * Funds derived from the tax herein provided for shall be apportioned: fifty per cent to the State General Revenue Fund, forty per cent to the Permanent School Fund and ten per cent to the Permanent University Fund. The Legislature shall by law make the necessary provisions for carrying out the provisions of this section."

If amended, that part of the section will read:

"* * * Funds derived from the tax herein provided for shall be used as follows: 50 percent to the state general revenue fund, 40 percent for the support of elementary and secondary schools and ten percent for the general support of the university. The legislature shall by law make the necessary provisions for carrying out the provisions of this section."

The purpose of the proposed amendment is to secure a distribution of the proceeds of the tax on the business of mining or producing iron ore or other ores in this state different from that now provided. Under the existing section, 50% of the funds derived from said tax is apportioned to the state general revenue fund, 40% thereof is apportioned to the permanent school fund, and 10% thereof is apportioned to the permanent university fund. The effect of the proposed amendment, if adopted, will be to provide that the funds thereafter derived from said tax shall be used as follows: 50% to the state general revenue fund, 40% for the support of elementary and secondary schools, and 10% for the general support of the university.

Very truly yours

MILES LORD
ATTORNEY GENERAL

League of Women Voters of Minnesota
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Minn #10-7/56 -10 4

SUPPLEMENTAL INFORMATION ON PROPOSED CONSTITUTIONAL AMENDMENTS

This material is taken from a June 12, 1956 letter to Secretary of State Joseph L. Donovan from Attorney General Miles Lord regarding the purpose and effect of each of the proposed amendments to the Constitution.

THE PURPOSE AND EFFECT OF PROPOSED AMENDMENT I

"Section 1:

Its purposes are: (1) to establish one district court for the entire state (the present Constitution speaks of 'district courts', whereas the proposed amendment speaks of 'a district court'); (2) to remove justice of the peace courts from the Constitution; and (3) to authorize the legislature, by a majority vote instead of a two-thirds vote as is presently required, to establish such courts (other than the supreme, district, and probate courts) and such minor judicial officers and commissioners inferior to the district court as the legislature may consider necessary.

"The effect of the adoption of the amendment, in addition to accomplishing the purposes aforesaid, will also be: (1) the effect of establishing one district court for the entire state will be that a judge of one district may discharge the duties of a judge of any other district; (2) to eliminate from the Constitution the existing provisions relating to the election and jurisdiction of justices of the peace, provided, however, that each justice of the peace in office when the amendment is adopted will continue in office for the remainder of his term which then remains unexpired; (3) to continue in existence until it is otherwise provided by law, (a) the office of court commissioner, (b) all municipal courts, and (c) salary schedules for the compensation of judges, court commissioners, clerk of court, and other court employees, in existence when the amendment takes effect.

"Sec. 2:

Its purposes are: (1) to authorize the legislature to provide for not less than 6 nor more than 8 associate justices of the supreme court; (2) to provide that a judge of the district court may be assigned temporarily to act as a judge of the supreme court upon its request; (3) to provide that the clerk of the supreme court, who is presently elected for a term of 4 years, shall be appointed by the supreme court; and (4) to authorize the supreme court to appoint, in addition to the clerk, 'a reporter, a state law librarian, and such other employees as it may deem necessary'.

"The effect of the adoption of the amendment, in addition to accomplishing the purposes last above stated, will also be the elimination of existing constitutional provisions which:

- (a) restrict the number of associate justices of the supreme court to 6,
- (b) authorize the governor to assign judges of the district court to serve on the supreme court in cases where all or a majority of the judges of the supreme court are disqualified,
- (c) relate to the place of holding terms of the supreme court, and
- (d) authorize the legislature to provide for supreme court terms at places other than the state capital.

"Sec. 3:

Its purposes are: (1) to authorize the legislature to establish or change the number and boundaries of the judicial districts, subject to the restriction that the

office of a district judge may not be abolished during his term; (2) to provide that there shall be 2 or more district judges in each district.

"The effect of the adoption of the amendment, in addition to accomplishing the above stated purposes, will be to eliminate the existing provision that judicial districts 'shall be composed of contiguous territory, be bounded by county lines, and contain a population as nearly equal as may be practicable'.

"Sec. 4:

Sec. 4 of the proposed amendment is substantially the same as the existing Sec. 13 of Article VI above quoted, relating to district court clerks. Under the proposed amendment it is further provided that the compensation of the clerk of the district court, to be prescribed by law, 'shall not be diminished during his term of office'.

"Sec. 5:

Its purpose is to provide that the district court shall have original jurisdiction in all civil and criminal cases and such appellate jurisdiction as may be prescribed by law.

"The effect thereof, if adopted, will be to eliminate the present limitation on the jurisdiction of the district court to civil cases where the amount in controversy exceeds \$100 and to criminal cases where the punishment exceeds 3 months' imprisonment or a fine of \$100.

"Sec. 6:

Its purposes are: (1) to eliminate the present constitutional limitation on the jurisdiction of the probate court and to authorize the legislature to confer upon the probate court (in addition to the original jurisdiction conferred on said court by the Constitution for the administration of the estates of deceased persons and all guardianship and incompetency proceedings) such further jurisdiction as the legislature may determine; (2) to constitute, until otherwise provided by law, each county a probate court district and to provide that there shall be one or more probate judges in each district.

"Sec. 7

Its purposes are: (1) to add a constitutional requirement that, like judges of the supreme and district courts, judges of the probate court shall be learned in the law and (2) to provide that the qualifications of all other judges and judicial officers shall be prescribed by law.

"The effect of the adoption of the amendment, in addition to accomplishing the foregoing stated purposes, will also be that all probate judges in office at the time the amendment takes effect shall be deemed learned in the law for the purpose of continuance in and reelection to any judicial office inferior to the district court.

"Sec. 8:

At the present time the judges of the supreme and district courts are elected for a term of 6 years, whereas probate judges and many municipal judges are elected for a 4-year term. The purposes and effect of this section of the proposed amendment are (1) to provide for a 6-year term for all judges and (2) to provide that all judges shall be elected in the manner provided by law.

"Sec. 9:

Its purposes are (1) to continue the existing provision that judges of the supreme and district courts shall hold no office under the United States nor any other office under this state but to permit such judges to hold 'a commission in a reserve component of the military forces of the United States' and (2) to provide that the term of office of any such judge shall terminate at the time he files as

a candidate for an elective office of the United States or for a nonjudicial office of this state.

"The effect of the adoption of the amendment, in addition to accomplishing the foregoing purposes, will be the termination of the office of a judge of the supreme or district court at the time such judge files as a candidate for an elective office of the United States or for a nonjudicial office of the state; such judge, however, may run for election to another judicial office and will be permitted to continue to hold his office until he is elected to and qualifies for the other judicial office.

"Sec. 10:

Its purposes are to authorize the legislature to provide for (1) the retirement of all judges, (2) the extension of the term of any judge who shall become eligible for retirement within 3 years after the expiration of the term for which he is selected, and (3) the removal of any judge who is incapacitated while in office.

"This is a new section, and, if the proposed amendment is adopted, it will have the effect of accomplishing the purposes stated. Statutory provisions fixing the retirement compensation of judges in effect when the amendment takes effect remain in effect until otherwise provided by law.

"Sec. 11:

Under the existing constitutional provision, where a vacancy in the office of any judge is filled by appointment by the governor, the appointee holds until his successor is elected, and his successor 'shall be elected at the first annual election that occurs more than thirty days after the vacancy shall have happened'. The purpose of this section of the proposed amendment is to provide that the successor, in such case, shall be elected at the next general election occurring more than 1 year after such appointment.

"The effect thereof will be that no judge appointed to fill the vacancy will be required to run for election until 1 year after his appointment, instead of 30 days as at present.

"Sec. 12:

This is a new section. Its purpose and effect is to permit a retired judge to be assigned to hear and decide cases."

THE PURPOSE AND EFFECT OF PROPOSED AMENDMENT II

"Section 1: The state, acting alone or with political subdivisions, is authorized to provide and maintain highways.

"Sec. 2: A trunk highway system is created, defined, and established. Said trunk highway system shall consist of the trunk highway routes numbered 1 through 70 described in the constitutional amendment adopted November 2, 1920, the trunk highway routes added to said foregoing routes by the legislature prior to the effective date of this article, and such additional routes as may be added to the trunk highway system hereby created pursuant to authority in this article contained.

"Sec. 3: The legislature is authorized to provide by law for county state-aid highways, including streets in municipalities under county authority. The total length shall not exceed 30,000 miles unless said length is increased or decreased by act of legislature.

"Sec. 4: The legislature may establish and maintain a system of municipal state-aid streets in cities, villages or boroughs having a population of 5,000 or more. The total length shall not exceed 1,200 miles unless said length is increased or decreased by act of the legislature.

"Sec. 5: A highway user tax distribution fund is created, to be used only for the highway purposes specified and consisting of proceeds from taxes on (1) motor vehicles using the highways and (2) motor vehicle fuel. The costs of collection of such tax and refunds are paid out of such fund. The net proceeds remaining are transferred to the following funds in the following proportions: 62 percent to the trunk highway fund; 29 percent to the county state-aid highway fund; 9 percent to the municipal state-aid street fund. After January 1, 1963, the legislature may set aside 5 percent of the net proceeds of the highway user tax distribution fund and apportion the same to one or more of the three foregoing funds, and the balance remaining shall be transferred to the three funds in the percentages stated.

"Sec. 6: A trunk highway fund is created for purposes referred to in Sec. 2 of this article. This fund replaces the trunk highway fund and the highway sinking fund of present Article XVI, Section 2.

"Sec. 7: A county state-aid highway fund is created. Said fund includes (1) moneys received from the highway user tax distribution fund, (2) income accruing from investments in the internal improvement land fund, and (3) the balance remaining in the state road and bridge fund on July 1, 1957. Said fund shall be apportioned among the counties and used by the counties as provided by law for the county state-aid highways, except that the legislature may authorize the counties to use a part of said funds so appropriated to them to render aid to other county highways, township roads, municipal streets, and other public highways, including trunk highways and municipal state-aid streets within the respective counties.

"Sec. 8: A municipal state-aid street fund is created to render aid for highway purposes. Said fund shall be apportioned as provided by law among cities, villages and boroughs having a population of 5,000 or more for municipal state-aid streets, except that the legislature may authorize the use of part of said funds to aid other municipal streets and any other public streets, including trunk highways within such cities, villages, and boroughs, and county state-aid highways within the counties wherein such cities, villages, and boroughs are located.

"Sec. 9: The legislature is authorized to enact laws for the taxation, on a more onerous basis than other personal property, of motor vehicles using the streets and highways of the state. This supersedes present Article XVI, Section 3 and differs from it in these particulars: Use of the words 'political subdivisions' enlarges definition of governmental units permitted to levy the wheelage taxes (the article uses the words 'borough, city or village'). Said wheelage taxes must be used 'solely for highway purposes' (the present article does not contain these words). The legislature is authorized to provide for exemption from taxation of motor vehicles owned by nonresidents and transiently or temporarily using the streets and highways of the state, and this section adds that such motor vehicles must be 'properly licensed in another state'. Proceeds of such tax shall be paid into highway user tax distribution fund.

"Sec. 10: The legislature may tax motor fuel used or useful in generating power for propelling vehicles used on the public highways of the state and may also tax the business of dealing therein. Proceeds of such tax shall be paid into the highway user tax distribution fund.

"Sec. 11: The legislature may enact laws permitting political subdivisions to aid in the establishment, location, construction, reconstruction, improvement, and maintenance of trunk highways within their respective boundaries.

"Sec. 12: The legislature may provide by law for the issue and sale of bonds of the state to carry out the provisions of Sec. 2 of this article. The total amount of such bonds outstanding at one time shall not exceed \$150,000,000 (present limit

\$75,000,000) par value. Present yearly limitation on issuance of such bonds is removed. The bonds mature serially over a term not exceeding 20 years and are to be sold for not less than par plus accrued interest, and interest must not exceed 5% per annum. The proceeds from such sale shall be paid into the trunk highway fund.

"Sec. 13: Article XVI and Article IX, Section 16 are superseded. All inconsistent provisions of present constitution are repealed.

"Sec. 14: This article shall take effect on July 1, 1957."

THE PURPOSE AND EFFECT OF PROPOSED AMENDMENT III

"The purpose of the proposed amendment is to secure a distribution of the proceeds of the tax on the business of mining or producing iron ore or other ores in this state different from that now provided. Under the existing section, 50% of the funds derived from said tax is apportioned to the state general revenue fund, 40% thereof is apportioned to the permanent school fund, and 10% thereof is apportioned to the permanent university fund. The effect of the proposed amendment, if adopted, will be to provide that the funds thereafter derived from said tax shall be used as follows: 50% to the state general revenue fund, 40% for the support of elementary and secondary schools, and 10% for the general support of the university."

Grace,
I don't think
Jacques would make
use of info on an
in validated law.
LH

US -
amended -

MILES LORD
ATTORNEY GENERAL
STATE CAPITOL
ST. PAUL 1, MINNESOTA

July 11, 1956

Mrs. Roger Klein, Chairman
Voters Service
League of Women Voters of Minnesota
611 Holly Ave.
Brainerd, Minnesota

Dear Mrs. Klein:

I have read your condensed version of
Laws 1955, Chapter 857 and I feel that it contains
a correct version of the law as stated in that
chapter.

I call your attention, however, to the
case of State v. Naftalin, 74 N. W. (2d) 249. An
opinion was issued January 20, 1956 which held that
this entire chapter was invalid.

Very truly yours

John R. Murphy
JOHN R. MURPHY
Assistant Attorney General

JRM:MM
Enc.

Dear Grace, Here is the
version of N. J. 1233. I think
it would be wise to send
a copy of it to each League
for their reference. If they want
more, perhaps they'd do more copies.

ARTICLE I

Department of Highways continued under supervision & control of Commissioner of Highways, appointed by the Governor, with approval of the Senate, for a term of 4 years. All salaries & expenses connected with this department shall be paid from the Trunk Highway fund. Duties relating to Chauffeurs & school bus drivers licenses transferred from Secretary of State to this department. Powers & duties of the Minnesota Historic Sites & Markers Commission transferred to this department.

ARTICLE II

Department of Conservation continued under Commissioner of Conservation, appointed by the Governor, with approval of Senate, term 2 years.

Divisions of Forestry
Waters
Game & Fish
Land & Minerals
State Parks
State Geographic Board ;

Above divisions abolished & duties & powers of same transferred to Dep't of Conservation.

Director of Division of Hotel & Resort Inspection, relating to safety of of boats used for hire. also transferred to this department.

ARTICLE III.

Criminal Bureau under supervision & control of Superintendent, appointed by the Attorney- General, term 2 years.

The Bureau shall cooperate with all peace officers of the state in detection & apprehension of criminals of the state & have power to make investigations as deemed necessary to secure evidence essential to apprehension & conviction of alleged violators of the criminal laws of the state.

The members of the Bureau shall have & exercise throughout the state, the same powers of arrest as possessed by a sheriff, but shall not be employed to render police service in connection with strikes or other industrial disputes.

The Superintendent shall submit annual report of the Bureau ;
The handling of crimes & criminals by state & local officers
his interpretation of this information & his comments & recommendations.

He shall also, from time to time, make recommendations to the legislature & give information as to conditions & methods in other states in reference thereto & furnish a copy of such report to each member of the legislature.

ARTICLE IV

The name of the Department of Taxation shall be changed to Department of Revenue., with all powers & duties of the Dep't of Taxation transferred to Dep't of Revenue except those functions committed to the State Board of Tax Appeals.

The Commissioner of the Department of Revenue shall be appointed by the Governor, with the approval of the Senate, term 2 years.

Powers & duties relating to the Registry Tax on Real Estate mortgages transferred to this department.

Non- exempt mortgages, which are not taxed by direct tax on the assessed valuation shall be paid to this department & such tax monies credited to the General Revenue Fund.

ARTICLE V

Creates the Department of Commerce
Commissioner of Commerce appointed by the Governor, with the approval of the Senate, term, 2 years.

Department of Business Development

Tri-State Waters Commission

Great Lakes & St. Lawrence River Tidewater Commission

Upper Mississippi & St. Croix River Improvement Commission

Iron Range Resources & Rehabilitation Commission

All of the above transferred to Dep't of Commerce.

Creates Iron Range Resources & Rehabilitation Committee of 7 members composed of;

3 State Senators, appointed by Committee on Committees

3 Representatives, appointed by Speaker of the House

Commissioner of Conservation

This committee to make a study of high labor costs of mining in Minnesota and of the policy & plans for future development of low grade ore. To cooperate with & advise the Commissioner of Commerce in the development of natural resources of the state.

The following Commissioners, of Banks, Insurance, & Securities are changed to the Financial Control Commission & placed within the Dep't of Commerce, as created by this act.

Duties & powers of the Compensation Insurance Board transferred to the Financial Control Commission

ARTICLE VI

Department of Agriculture includes all powers & duties of Departments of Agriculture, Dairy & Food.

Commissioner of this Dep't appointed by the Governor, with the approval of the Senate, term 2 years.

ARTICLE VII

Name of Dep't of Public Welfare changed to Dep't of Welfare., with all duties of the former continued in the latter.

Commissioner appointed by the Governor, with the approval of the Senate, term, 2 years.

Name of the Board of Parole changed to State Parole Commission, has the same duties & powers and included in the Dep't of Welfare.

ARTICLE VIII

Department of Administration under supervision & control of Commissioner of Administration, who shall be ex-officio State Budget Director & State Purchasing Agent.

Commissioner appointed by the Governor, with the approval of the Senate, term, 2 years.

Duties & powers of Minnesota State Archives Commission transferred to this dep't.

This dep't may authorize, with the approval of the Governor, the performance of services for any department or agency of the state by any other department or agency & transfer funds for such services. May also transfer employees from one department or agency to another.

May prescribe a schedule of fees to be charged for services rendered by the state or any department or agency thereof.

ARTICLE IX

Duties & powers of the State Auditor relating to keeping of general books of account of the state imposed by this act, upon the Commissioner of Administration

The office of legislative post-audit is created in the legislature; the method of appointment of director, his office, qualifications, etc will be established by concurrent resolution of the legislature.

The name of the State Board of Investment changed to State Investment Council and shall continue duties & powers of the State Board as heretofore constituted.

The State Treasurer shall perform the duties of the Secretary of the State Investment Council

Under the direction of the Council he shall :

Supervise investigation of applications for loans

The negotiations of new investments

Examine Securities & records of :

Municipalities applying for loans , report all relevant facts herewith, to the Council. May employ expert Investment Counsel to aid him.

Shall certify to the Council when there shall be any money in the State Treasury not currently needed & the amount thereof.

Council may then invest said amount or any part thereof in :

Treasury Bonds

Certificates of Indebtedness

Bonds or notes of U.S.A.

Notes or Certificates of Indebtedness of Minnesota

(All of which must mature, not later than 3 years from date of purchase)

When invested funds are needed for current purpose, he must so certify & the Investment Council may then order conversion into cash of securities of amount so certified.

Board of Pardons

Shall keep record of petitions received of every pardon, reprieve or commutation of sentence granted or refused & the reasons therefore & shall have a seal to attest every pardon, reprieve or commutation. The Commissioner of Welfare or his designee shall be secretary of the Board of Pardons ; shall have charge of & keep its records; is empowered to serve subpoenas & other writs or processes necessary to return parole violators to prison & to bring before the Board, witnesses to be heard in matters pending before it.

Shall keep all records & files & these shall be open to public inspection at all reasonable times.

Powers & duties of Publication Board transferred to the Executive Council.

ARTICLE X

Except as herein otherwise provided, all powers, duties & functions conferred by law & required to be performed by the several departments, boards, divisions, etc mentioned in this act shall be hereafter performed by Commissioners of the several departments, commissions etc, herein specified.

Classified Service employees transferred by this act to other departments or agencies.

Positions of persons in unclassified service, employed by departments etc now transferred, are hereby abolished, but a person so affected may be employed as provisional appointee for a period not to exceed 12 month following date of abolishment of his position.

MILES LORD
ATTORNEY GENERAL
STATE CAPITOL
ST. PAUL 1, MINNESOTA
August 9, 1956

Mrs. Harold Wilson
Executive Secretary
League of Women Voters of Minnesota
University of Minnesota
15th and Washington Avenue S.E.
Minneapolis 14, Minnesota

Dear Mrs. Wilson:

Thank you for asking our advice and criticisms on your summary of the constitutional amendments to be voted on this fall. I would definitely say that the language you have used is clearly not partisan and for the most part strictly accurate. I have no real criticisms, but a few suggestions only.

Judicial Amendment

- I don't*
too
confidential
referred to
just
- ✓ Point No. 1 - Judges now in office are deemed "learned in the law" for purposes of continuation and re-election to office.
 - ✓ Point No. 2 - State JP's are no longer required by the constitution. The purpose, more strictly speaking, of this amendment was that they be removed from the constitution.
 - I don't*
- Point No. 3 - I think it might be wise to mention that the creation of these minor courts, etc., now require a simple majority rather than a two-thirds as is presently required.
 - too*
confidential
referred to
just
Point No. 5 - Mention should perhaps be made of the provision for extension of the term in office if the judge is within three years of retirement.
 - ✓ Point No. 6 - This should read reserve military commission.
 - ✓ Point No. 7 - It might be a bit clearer to say "until at least one year after appointment to vacancy."

✓ I have no other comments to make on the Judicial Amendment, and nothing but praise for your summary of the Highway Amendment. On the Iron Ore Tax Amendment, I feel that some mention should be made of the fact that in point 2 there is no change to be made in the percentage apportionment as between the public schools and the university.

Mrs. Harold Wilson
Minneapolis 14, Minnesota

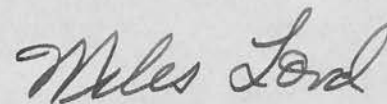
-2-

August 9, 1956

These comments were made on the basis of an opinion which I wrote to Secretary of State Joseph Donovan which lays out the present provisions of the constitution, the proposed amendments and describes the purpose and effect of the proposed amendments. I think you may be interested in this opinion, and I shall enclose a copy of it.

Please accept my apologies for getting this to you a bit late, and I hope that the public is well and fairly informed by your broadside.

Very truly yours,

A handwritten signature in cursive script that reads "Miles Lord".

MILES LORD
Attorney General

ML/mc
Encl

LEAGUE OF WOMEN VOTERS OF MINNESOTA

15th and Washington Avenue S.E. Minneapolis 14, Minnesota

Federal 8-8791

August 1, 1956

Mr. Charles Howard
Northwest Bank Building
6th and Marquette
Minneapolis, Minnesota

Dear Mr. Howard,

As is our custom, the League of Women Voters is preparing for wide distribution a broadside on the amendments to be voted on in this fall's election. We take no stand on any of these amendments and so it is important that the material be non-partisan, as well as clear and accurate.

We would like to ask your advice on the attached sheet, and if you have any criticisms or suggestions, will you make them for us?

Is it clear?

I think so

Is it accurate?

I find no inaccuracies in 143

Is it non-partisan?

I think these measures are non-partisan

As usual, we are pushing a deadline, and so would much appreciate receiving your comments in a few days. Would it be possible to hear from you by next Tuesday, August 7th?

We do appreciate your helpfulness.

Sincerely,

Groce

Mrs. Harold Wilson
Executive Secretary



Affiliated with the
League of Women Voters of the U.S.

elli-amend Road Tax

The Minnesota Poll is maintained by the Minneapolis Tribune as a public service.

61% Say 1956 Election 'Matters Much to Me'

A majority of Minnesotans say they "personally care very much" about the outcome of the 1956 presidential election — but fewer than one-half think it will "make a great deal of difference to the country" whether the Republican or the Democratic party wins.



In a survey completed in July, less than four months before the election, the Minneapolis Tribune's Minnesota Poll finds that:

- City and town people express a little more personal interest in the presidential race than do farmers;
- People who voted for Adlai Stevenson, the Democratic nominee in 1952, indicate a little more personal concern about the 1956 election result than do people who voted for President Eisenhower;
- Fifty-two per cent of the farm residents in the sample think it will not "make very much difference" to the country which party triumphs.

QUESTIONS about the approaching election were put to a representative cross-section of men and women, aged 21 and older, residing in all parts of the state.

One question was:

"Do you think it will make a great deal of difference to the country, or not very much difference, whether the Republican party or the Democratic party wins the 1956 presidential election?"

The replies:

	Total	Men	Women
Will make great deal of difference...	48%	50%	46%
Won't make very much difference...	43	45	42
Qualified	1	1	1
No opinion	8	4	11
	100%	100%	100%

These are the ways some of the major groups in the sample responded:

	Great difference	Not very much difference	Other, no opinion
City people....	50%	42%	8%
Town people....	51	38	11
Farm people....	40	52	8
Democratic-Farmer-Labor voters	56	38	6
Republicans ...	54	39	7
Independents	29	60	11
Pro-Eisenhower in 1952	46	46	8
Pro-Stevenson in 1952	57	37	6

People who believe the election verdict WILL make a great deal of difference give these principal explanations: (1) The Democrats are better for the farmers, labor, and the country as a whole; or (2) the Eisenhower administration has kept the country prosperous, has kept the peace, and is doing a good job; or (3) a change in administration would lead to too great a change in foreign policy and in domestic programs.

THOSE WHO believe that the election outcome WILL NOT make very much difference say, for the most part: (1) The parties are too similar to bring about any major changes; or (2) conditions are stable and there is prosperity; or (3) both parties have good men and good ideas.

Interviewers also asked:

"Would you say you personally care very much, or not very much, which party wins the presidential election this year?"

The answers:

	Total	Men	Women
Care very much	61%	67%	56%
Not very much	36	31	40
Qualified	1	1	1
No opinion ...	2	1	3
	100%	100%	100%

"I care very much" responses came from 63 per cent of the city and town residents, and 56 per cent of the farmers;

from 74 per cent of the GOP voters, 66 per cent of the DFL voters, and 40 per cent of the independents; from 79 per cent

of the college-educated people in the sample but 54 per cent of those with grade school education.

Road Fund Measure Favored Now by 75%

Minnesota's proposed constitutional amendment changing the formula for use of gasoline tax and motor vehicle license funds on highway improvements has the support currently of three-fourths of the state's adults.

A July survey by the Minneapolis Tribune's Minnesota Poll indicates 79 per cent of the farmers, 75 per cent of the residents of small towns and 73 per cent of the city people are in favor of the amendment.

THE MEASURE is to be submitted to voters of the state in November.

Poll interviewers asked a representative cross-section of voting-age men and women in all parts of the state:

"Next November, Minnesota people are going to vote on a proposed amendment to the state constitution, changing the way gasoline tax money and motor vehicle license fees are divided up for highway improvements.

"Have you heard or read anything about that amendment?"

The same question was asked in a similar study last March. The replies:

	March	July
Yes, have heard of amendment	31%	38%
No, haven't heard, or uncertain ...	69	62
	100%	100%

Each respondent, whether or not he had previous knowledge of the proposal, then was handed a card bearing this statement:

"About 80 per cent of the gas tax and motor vehicle license money now goes to the state, and about 20 per cent to the counties.

"If the amendment is adopted, 62 per cent will go to the state; 29 per cent to the counties; and 9 per cent to cities with over 5,000 population."

INTERVIEWERS then asked:

"Right now, are you in favor of that amendment, or against it?"

The answers, compared with those of the March survey:

	March	July
In favor of amendment	69%	75%
Against it	14	16
Qualified	*	*
No opinion	17	9
	100%	100%

(*—Less than 1 per cent.)

In general, Minnesotans interviewed last month were a little more critical of the amendment if they had known previously about it than they were if they had not known of it:

	Knew about amendment	Did not know of it
In favor of amendment	70%	78%
Against it	23	12
Qualified	—	*
No opinion	7	10
	100%	100%

(*—Less than 1 per cent.)

Democratic-Farmer-Labor, Republican and independent voters are, on the whole, about equally disposed to support the amendment.



League of Minnesota Municipalities

OFFICIAL COOPERATIVE ASSOCIATION OF MINNESOTA CITIES AND VILLAGES

C. C. LUDWIG
Executive Secretary
ORVILLE C. PETERSON
Attorney

OFFICE: 15 University of Minnesota Library,
Minneapolis 14, Minn.

Telephone: Federal 2-8158, Ext. 6185-6186

August 6, 1956

Mrs. Harold Wilson
Executive Secretary
League of Women Voters of Minnesota
University of Minnesota Campus

Dear Mrs. Wilson:

I have gone over somewhat hastily your proposed broadside on the 1956 state constitutional amendments and have only a few comments and suggestions.

With reference to Amendment No. 1, I suppose it should be observed that the introductory statement that this amendment "Provides for changes in present court system:" is not entirely accurate since some of the statements can be made at least in part about the present law. The following may be specifically noted in this connection:

(1) The Supreme and district court judges are required by the present constitution to be learned in the law;

(2) The legislature may now create minor courts. The only difference in this respect is that under the proposal, the present 2/3 vote requirement would be eliminated. Judges may now be permitted to perform the duties of other district judges. The proposed amendment is different in authorizing the temporary assignment of the district court judge to the Supreme Court Bench and in permitting the legislature to provide for the use of retired judges;

(3) The constitution now prohibits a Supreme or district court judge from holding any state or federal office. The exception of a military commission is added by the new proposal which is obviously a minor change;

(4) The boundaries of judicial districts may now be set by the legislature;

(5) District court duties may be no more extended if the amendment is adopted than before. The only difference is that the minimum limit on jurisdiction is removed in the case of original jurisdiction. As under the present constitution, the district court would have such appellate jurisdiction as prescribed by law;

Next Convention, June 1957, Duluth

EXECUTIVE COMMITTEE—1956-57

Honorary President
DR. RICHARD R. PRICE

President, GEORGE W. MARTENS
Alderman, Minneapolis

Vice President, HAROLD THOMFORDE
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Director, Municipal Reference Bureau
University of Minnesota

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August 6, 1956

(6) The authority of the legislature to extend probate court duties is not broadened from what is provided in the 1954 probate court amendment.

There are some other changes proposed by the amendment, but perhaps you have considered them not important enough to mention in your broadside. These include the following:

- (1) A separate probate court in each county would no longer be required;
- (2) The provision on the jurisdiction of the justice of the peace court would be removed from the constitution;
- (3) The legislature may provide for the removal of any judge who is incapacitated while in office.

One last suggestion: After the clause "and shall have not less than 6 nor more than 8 associate justices" you might wish to add parenthetically "now 6". I have only two comments about the wording on the highway amendment. May some people misconstrue the term "maintenance" as used in the last paragraph? This word is often used in connection with highway matters to distinguish it from construction; obviously your statement intends the word in a broader sense.

Your statement on the amendment adequately covers the fund distribution aspect of the amendment but do you wish to say anything about the three highway systems to be financed from the three funds? The trunk highway system is continued as at present but with somewhat greater flexibility with respect to the routes which are not part of the system set out in the Babcock Amendment. The county state-aid highway system, on which the county state-aid highway fund would be mainly used, must include necessary connecting links in the places below 5,000 population. The municipal state-aid street system, on which the municipal state-aid fund will be principally spent will cover the major system of primaries in the places of more than 5,000 population. The legislature may provide for use of a portion of each of the last two funds upon other systems at the option of the political subdivision receiving it.

You may decide that any such statements on the three highway systems contemplated by the amendment will only be misleading. The legislature is given broad discretion with reference to the number of miles of the county and municipal systems, the methods by which particular highways are to become part of the system, standards which the systems must meet and how the funds are to be allocated among the counties and among the municipalities of more than 5,000.

I have no suggestions about the statement on the Iron Ore Tax Amendment other than to note that if the phrase "current needs" is intended to eliminate the cost of school buildings, it may be somewhat narrower than the amendment itself which speaks of "the support of elementary and secondary schools" and "the general support of the University".

Sincerely yours,

Orville C. Peterson
Orville C. Peterson
League Attorney

LEAGUE OF WOMEN VOTERS OF MINNESOTA

15th and Washington Avenue S.E. Minneapolis 14, Minnesota

Federal 8-8791

August 22, 1956

Memo: To Local League Presidents and Voters Service Chairmen
From: Mrs. Basil Young, President
Re: AMENDMENT BROADSIDES, SUPPLEMENTAL INFORMATION, CANDIDATES SPEAK

AMENDMENT BROADSIDES - A sample of the printed AMENDMENT BROADSIDE is enclosed. They are available immediately in quantity.

We have found from experience that this type of literature is one of the most popular pieces that the League offers to the public -- non-partisan, factual, objective information on questions that puzzle the voter.

You will find many places to distribute them -- candidates meetings, voter information booths, schools and libraries, doctor and dentist offices, bus depots, at rural meetings, at luncheon clubs, at church gatherings, in parked cars, at your neighbor's door. Leave a stack at the check out counter of grocery stores and drug stores. Don't forget county fairs and community celebrations. Ask your newspaper to print the broadside, and offer a supply to all who put in a request, in response to the newspaper article.

Price: 100 @ 60¢

1,000 @ \$5.00

10,000 @ \$40.00

SUPPLEMENTAL INFORMATION ON PROPOSED CONSTITUTIONAL AMENDMENTS - This 5 page mimeographed publication will be especially useful in explaining the amendments in your voters service booths, at candidates meetings, in answer to telephone inquiries, when speaking to groups outside the League, and in unit discussions. It also would be interesting background material for newspaper articles.

Price: 10¢

CANDIDATES SPEAK - This mimeographed packet includes answers to the questionnaires which the League of Women Voters sent to the candidates for Governor and Congress. It will be useful in the same way that the SUPPLEMENTAL INFORMATION ON THE PROPOSED AMENDMENTS will be helpful to you (see above). In addition, we think you may want to add this information to the answers to the questionnaires you received from your legislative candidates and mimeograph some material of your own, rather than to order a supply from the state office.

Price: 25¢ (limited quantity available)

LEGISLATIVE ROLLCALLS (limited to issues on LWV program) and CONGRESSIONAL ROLLCALLS will reach you probably the end of August, with the next President's Letter.



Affiliated with the
League of Women Voters of the U.S.

Organizations that may be ^{Amend}
Contacted for interpretation &
"stand" of Amendments

- I. The American Legion (stand)
Dept. Minn.
600 Shubert Bldg. - St. Paul 2 -
 - II Minn. State Bar Assoc. (Interpret.)
(stand)
500 Nat'l Bldg. - Mpls. 2, Minn.
 - III. Minn. Farm Bureau (stand)
420 Commerce Bldg. - St. Paul, 1
 - IV Citizens League of Greater Mpls. (Int. stand)
601 Syndicate Bldg. - Mpls.
 - V State Grange of Minn. (stand)
Wm. B. Pearson, master, Ogilvie Minn.
 - VI Minn. Repub. State Central Comm (stand)
685 - Endicott - on - Robert, St. Paul, 1
 - VII - Minn. D. F. L. State C. C. (stand)
19 - So. 3rd. - Mpls.
 - VIII - Minn. Congress P. A. (stand)
2639 - University Ave - St. Paul, 14
- (over)

~~IX~~ - League of Minn. Municipalities (Interp Stand)
15 - U. of M. - Library, Mpls. 14.

Amend

LARSON, LOEVINGER, LINDQUIST, FREEMAN & FRASER

ATTORNEYS AT LAW

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LEE LOEVINGER
LEONARD E. LINDQUIST
DONALD M. FRASER
ROBERT C. MUSSMAN
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MIDLAND BANK BUILDING
MINNEAPOLIS 1, MINNESOTA
PHONE FEDERAL 2-8076

October 15, 1956

Mrs. Basil Young, President
Minnesota League of Women Voters
15th and Washington Avenue S.E.
Minneapolis, Minnesota

Dear Mrs. Young:

At the November 6th General Election, the voters of Minnesota will vote on a proposed amendment to Article VI of the Minnesota Constitution. The proposal will be identified on the ballot as "Amendment No. 1".

This proposal was drafted by the Minnesota State Bar Association after lengthy consideration and study by the lawyers of the State, and it was passed at the 1955 session of the legislature. The amendment is non-partisan and has the support of both political parties.

Briefly stated, it is the purpose of this amendment to enable revision of the judiciary article of the State Constitution along modern lines. It will permit improvements in our court system not presently possible under the old constitutional provisions which are considered to be obsolete and which have hampered the legislature and the courts in putting improvements into effect.

The Minnesota State Bar Association feels that approval of this amendment by the voters is vital to the efficient administration of justice in our State, but there is no organized group with funds available to wage an active campaign for the passage of the amendment. Therefore, the members of the Minnesota State Bar Association have assumed the responsibility of acquainting the citizens with this proposal.

Enclosed herein please find a pamphlet which lists, in part, some of the changes in our court system which would be possible upon passage of Amendment No. 1. I sincerely hope that you will notify the members of your organization as to the purpose of Amendment No. 1 and urge them all to vote "YES" for this amendment.

Yours very truly,

Louise A. Herou

(Miss) Louise A. Herou, Secretary
Junior Bar Section
Minnesota State Bar Association

h/1

cc to Mrs. Harold Wilson,
Executive Secretary

A M E N D M E N T N U M B E R O N E

To be voted upon November 6, 1956

Minnesota State Bar Association
500 National Building
Minneapolis 2, Minnesota

CALLING ALL LAWYERS IN RE:

CONSTITUTIONAL AMENDMENT NO. 1 -- REVISION OF
ARTICLE VI RELATING TO THE JUDICIARY

One of the Association's most notable achievements during the 1955 session of the Legislature was procuring passage of the Bill for a constitutional amendment to revise Article VI relating to the Judiciary and to have it appear on the ballot this coming election as amendment No. 1. This Bill was drafted and supported by the Association's Committee on Constitutional Revision of which Charles B. Howard of Minneapolis was the Chairman. Now, it is up to the lawyers of the state to see to it that this amendment is adopted by the people on November the 6th. There is no organized group with money to wage a campaign for this amendment. The lawyers of the state as individuals will have to carry the ball. The Junior Bar Section has undertaken the promotion of this amendment as one of its projects. Mr. Edward T. Fride, Jr. of Duluth is Chairman of the Junior Bar Committee in charge and will be calling on many of us to speak in support of the amendment.

This amendment is a complete revision of the judiciary article in accordance with modern ideas. It will enable the legislature to make improvements in the court system not possible under the old provisions which include so many details, many obsolete and others which have hampered the legislature and the courts in putting improvements in effect.

A list, in part, of the many respects in which the present provisions will be changed follows:

1. Justice of the peace will no longer be a constitutional office. The legislature is free to abolish this office and substitute such form of inferior court as it may deem suitable.
2. Courts may be created by majority vote of the legislature instead of by a two-thirds vote as is now required.
3. The members of the Supreme Court are designated as judges rather than as justices.
4. The legislature may increase the number of judges in the Supreme Court from six to eight if it so determines.
5. The provision for definite terms of the Supreme Court is eliminated. Other obsolete provisions of the Constitution including the provision that the legislature may provide for holding of terms in various parts of the state are also eliminated.
6. The clerk of the Supreme Court is made an appointive office with the appointment to be made by the members of the Supreme Court.
7. The district court judges may be assigned to serve on the Supreme Court by action of the court itself rather than by action of the governor and it is not necessary that members of the Supreme Court be incapacitated in order to permit district court judges to serve.

8. The present limitations on the original jurisdiction of the district court are removed.
9. The act provides a uniform term of office of six years for all judges.
10. The term of appointment of judges is changed so that they would hold office until the next election one year after the vacancy occurs instead of thirty days after the vacancy occurs as is now required.
11. The office of Court Commissioner is no longer a constitutional office although the legislature has power to continue this office if it desires.
12. The amendment makes provision for the use of retired judges so that they may hear and decide causes the same as the judges regularly in office, the purpose being to make use of the abilities of these judges to help overcrowded terms so far as possible.
13. The amendment authorizes the legislature to set up the plan for retirement of judges, including the manner in which a judge who is incompetent may be removed from office.
14. The amendment requires that judges of the Supreme Court, the District Court and Probate Court be learned in the law and authorizes the legislature to prescribe requirements as to legal training for other judicial offices.
15. The legislature will be authorized to combine the probate courts in the various counties and may add a probate judge in any county.
16. The compensation of the probate judge is to be fixed by the legislature rather than by law as at present. This incorporates in the section relating to the probate court the interpretation of the Supreme Court concerning salaries of district court judges.
17. The clerk of the probate court is not provided for in the Constitution, leaving this matter for determination by the legislature.
18. It will enable the legislature to enlarge the jurisdiction of the probate court. It could be made into a county court if the legislature sees fit to do so.

The Republican Party at its state convention on September 15th endorsed this amendment and urged its adoption. It also has the support of the leaders of the Democratic-Farmer Labor Party. If we all put our shoulders to the wheel this amendment will pass.

COPY

LARSON, LOEVINGER, LINDQUIST, FREEMAN & FRASER
Midland Bank Building
Minneapolis 1, Minn.

File

October 15, 1956

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Minnesota League of Women Voters
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Minneapolis, Minnesota

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(Miss) Louise A. Herou, Secretary
Junior Bar Section
Minnesota State Bar Association

h/1

cc to Mrs. Harold Wilson,
Executive Secretary

A M E N D M E N T N U M B E R O N E

To be voted upon November 6, 1956

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Minneapolis 2, Minnesota

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F 2 D5-11.
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return
to State
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STATEWIDE COMMITTEE
for
HIGHWAY AMENDMENT NO. 2

Telephone FEderal 5-7137

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• MINNEAPOLIS 2, MINNESOTA

October 2, 1956 *see p. 3.*

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Minneapolis, Minn.

Mrs. Basil Young, Pres.
Minnesota League of Women Voters
Hibbing, Minn.

Dear Mrs. Young:

The time until the Minnesota General Election on November 6 is very short. At that election Highway Amendment No. 2 will be submitted to the people for approval.

No organized opposition has appeared from any quarter, but in a presidential election it still could lose by default unless voters everywhere are alerted to the fact that if they fail to vote FOR the Amendment, under Minnesota laws their ballots, even if unmarked, will count against its passage.

The committeemen whose names appear on this page feel that, now that the vastly expanded Federal Aid Highway Program has been enacted by Congress, adoption of Constitutional Amendment No. 2 is vitally important to the carrying out of a balanced long range improvement program in Minnesota.

Feeling confident that you and your organization will have a keen interest in its success, we have taken the liberty to list you among the Statewide General Committee of supporters of the Amendment on the inside of this tentative letterhead. This may appear to be a somewhat unorthodox procedure, but as stated at the outset the time is so short to formulate an organized and effective statewide campaign that this appeared to be the most expedient means of getting the campaign underway and uniting the many elements of our present day economy which are so crucially interested in better roads and streets.

If we do not hear from you to the contrary within three or four days, the Executive Committee will proceed to authorize the printing of additional letterheads similar to these and prepare accompanying literature in support of the Amendment.

Cordially,

E. Ray Cory
E. Ray Cory, General Chairman

P.S. Assuming this plan of action meets with your approval, how many brochures could you use for direct mailing to your friends and organization members?

Vote YES — Better Roads Amendment No. 2 ☒

"YES" Vote for Good Roads Amendment No. 2---MEANS BETTER ROADS---Here is partial list of supporters for Good Roads Amendment No. 2---

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Robert B. Morris, *Secretary, Duluth Chamber of Commerce,
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St. Paul*
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For Better Roads---VOTE YES---on Good Roads Amendment No. 2

For Good Roads in Minnesota---SEE that Good Roads Amendment No. 2 Passes
Vote YES ☒

Here's Why It Is Important That Everyone Work for Passage of Good Roads Amendment No. 2 on November 6

- 1) The Good Roads Amendment will put Minnesota's own highway house in order. Under it the state will be able to gain maximum benefit from the new federal highway program. It will provide a *balanced, long range* program that will benefit all classes of roads and streets and *all* the people who use them.
- 2) If the Good Roads Amendment *does not pass*, there is good reason to believe the legislature *may raise the gas tax* as a quick method of getting more funds for county roads. This, of course, would do nothing for cities and villages . . . certainly would not answer the highway problem.
- 3) This is the fairest distribution of highway funds ever put into an amendment, because the distribution is based on study, on facts, on putting the money where the needs are.
- 4) Good Roads Amendment No. 2 is more than just a new distribution of highway funds. It contains many sound highway principles which set the framework for efficient road and street building in the years ahead.

TWO YEAR STUDY ON GOOD ROADS AMENDMENT NO. 2

GOOD ROADS AMENDMENT NO. 2 IS THE DIRECT RESULT OF A TWO-YEAR STUDY CONDUCTED BY A 28-MAN COMMISSION, ON WHICH WERE REPRESENTATIVES OF COUNTIES, CITIES AND STATEWIDE ORGANIZATIONS INTERESTED IN BETTER ROADS AND STREETS. ALL THESE VARYING INTERESTS AGREED THAT AMENDMENT NO. 2 IS NEEDED TO GIVE MINNESOTA A BALANCED PROGRAM OF IMPROVEMENT ON ALL ROADS AND STREETS.

VOTE YES { For Amendment No. 2 } **YES** ☒

August 1, 1956

Mr. Orville Peterson
League of Minnesota Municipalities
University of Minnesota

Dear Mr. Peterson,

As is our custom, the League of Women Voters is preparing for wide distribution a broadside on the amendments to be voted on in this fall's election. We take no stand on any of these amendments and so it is important that the material be non-partisan, as well as clear and accurate.

We would like to ask your advice on the attached sheet, (and thank you at the same time for the help you have already given us), and if you have any criticisms or suggestions, will you make them for us?

Is it clear?

Is it accurate?

Is it non-partisan?

As usual, we are pushing a deadline, and so would appreciate receiving your comments in a few days. Would it be possible to hear from you by next Tuesday, August 7th?

We do appreciate your helpfulness.

Sincerely,

Mrs. Harold Wilson
Executive Secretary

August 1, 1956

Mr. Charles Howard
Northwest Bank Building
6th and Marquette
Minneapolis, Minnesota

Dear Mr. Howard,

As is our custom, the League of Women Voters is preparing for wide distribution a broadside on the amendments to be voted on in this fall's election. We take no stand on any of these amendments and so it is important that the material be non-partisan, as well as clear and accurate.

We would like to ask your advice on the attached sheet, and if you have any criticisms or suggestions, will you make them for us?

Is it clear?

Is it accurate?

Is it non-partisan?

As usual, we are pushing a deadline, and so would much appreciate receiving your comments in a few days. Would it be possible to hear from you by next Tuesday, August 7th?

We do appreciate your helpfulness.

Sincerely,

Mrs. Harold Wilson
Executive Secretary

August 1, 1956

Attorney General Miles Lord
State Capitol
St. Paul, Minnesota

Dear Mr. Lord,

As is our custom, the League of Women Voters is preparing for wide distribution a broadside on the amendments to be voted on in this fall's election. We take no stand on any ~~of~~ these amendments, and so it is important that the material be non-partisan, as well as clear and accurate.

We would like to ask your advice on the attached sheet, and if you have any criticisms or suggestions, will you note them for us?

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Is it accurate?

Is it non-partisan?

As usual, we are pushing a deadline, and so would much appreciate receiving your comments in a few days. Would it be possible to hear from you by next Tuesday, August 7th.

We do appreciate your helpfulness.

Sincerely,

Mrs. Harold Wilson
Executive Secretary

August 1, 1956

Mrs. Stanley Kane
701 Park View Terrace
Minneapolis 16, Minnesota

Dear Betty,

Enclosed is the amendment broadside. Luella suggested I send it to you. Will you look at it critically, telling us if you think it accurate, clear, and non-partisan?

It was prepared by Clem Klein, gone over by L.Hill's committee in Rochester, re-done by Luella yesterday, (got some directions from Mr. Peterson at Municipal League part way through the day), and now we want comments from you. We're sending other copies to Miles Lord, Charles Howard, and the Mr. Peterson again.

Since as usual we are trying to meet a quick deadline, we would appreciate it back in a few days. Would next Tuesday, August 7th be possible?

AMENDMENT NO. I

Relating to the
Judiciary

by whom?

- This amendment would revise the present Judiciary Article of the Constitution. The following changes would be effected:
- A..The office of Justice of the Peace which is now constitutional would be removed from Article VI & the authority given to the legislature to continue or abolish the office. (Present justices would continue in office for remainder of their term.)
 - B..Establish one District Court for entire state so judges of one district could discharge duties in any other district. Change the number & boundaries of Judicial districts & provide for two or more judges in each district.
 - C..Authorize the legislature to provide not less than six nor more than eight Associate Justices of the Supreme Court, (the no. now restricted to 6)
Provide that a district judge may be temporarily assigned to act as Supreme Court Justice upon its request.
 - D..The Clerk of Supreme Court to be appointed rather than elected as at present.
 - E..Eliminate present constitutional limitations on jurisdiction of Probate Courts & give legislature authority to confer further jurisdiction as it deems necessary.
Make it compulsory that Probate Judges be lawyers. (All Probate Judges now in office shall be deemed " learned in the law " for the purpose of continuing in office & to seek re-election to any judicial office inferior to District Court .)
 - F..Provide for a six year term for all judges but the term of any judge shall end if he files for federal elective office or non-judicial office.
 - G..Authorize the legislature to provide retirement of all judges and for removal of any judge incapacitated while in office. Permit a retired judge to be assigned to hear & decide cases.

AMENDMENT NO. II

Relating to
highway fund.

This amendment will create a highway user tax distribution fund ,into which will go gasoline tax & motor vehicle license fees. The net proceeds of such fund to be divided as follows :

- 62 % to trunk highway fund
- 29 % to county state-aid fund
- 9 % to municipal state-aid fund (which fund will be created by this amendment, to be apportioned among cities & villages having population of 5000 or more)

After January 1963, the legislature may set aside 5 % of net proceeds of Highway fund & apportion it to any one or more of the three funds.

AMENDMENT NO. III

Relating to the
Iron Ore
Occupation
Tax

This amendment will divert to current needs of public schools & to the University of Minnesota, the 50 % of the Iron Ore Occupation Tax, which now goes into the Permanent Trust Fund. This 50 % to be divided as follows :

- 40 % to current needs of public schools
- 10 % to current needs of the University of Minnesota.

The present Permanent Trust Funds would be kept intact
not reduced by this

Journal

LEAGUE OF MINNESOTA MUNICIPALITIES

PROPOSED JUDICIARY AMENDMENT

Summary of Constitutional Changes Proposed
by Amendment No. 1

(Laws 1955, Ch. 881)

Excerpted from 1955 report of special
committee of the Minnesota State Bar
Association on Constitutional Revision.

. . . . The proposed amendment will make the following changes:

1. The office of justice of the peace is no longer required.
2. The legislature by majority vote may create such courts as it thinks necessary.
3. The clerk of the Supreme Court is made an appointive office.
4. *Meeting places* Terms of Supreme Court judges are no longer fixed. *(this does not relate evidently to the term of office but to the term of Supreme Court.)*
5. District Court judges may be assigned to duty on Supreme Court by the Chief Judge.
6. Limitation on original jurisdiction of District Court is removed.
7. Requirement for separate probate court in each county eliminated.
8. *Six-year* Uniform term provided for all judges.
9. No judge required to run for ~~re~~-election until one year after appointment instead of thirty days.
10. Provides for use of retired judges.
11. Supreme Court, District Court and Probate Court judges required to be learned in law and legislature may set up requirements for other judges.

*Digest of effect of Amendment # 1
taken from Atty. General's letter*

1. ~~establish one district court for the entire state~~

2. ~~remove justice of peace courts from Constitution~~

3. authorize the legislature by a majority instead of a two-thirds vote as is presently required, to establish such courts (other than supreme, district, and probate) and such minor judicial officers and commissioners inferior to the district court as the legislature may deem necessary

1. establish one district court for entire state so that ~~judge of one district~~ judge of one district may discharge duties of a judge in any other district. ✓

2. eliminate present constitutional provisions relating to justice of the peace

3x
4. authorize legislature to provide for not less than six nor more than eight associate justices of the supreme court.

5. provide that a judge of the district court may be assigned temporarily to act as a judge of the supreme court upon its request (governor ~~make~~ this assignment now) ✓

6. provide that clerk of supreme court be appointed by the supreme court rather than elected. ✓

7. Authorize the supreme court to appoint in addition to the clerk - a reporter, a state law librarian and such other employees as it may deem necessary.

8. Authorize the legislature to provide for supreme court meeting at places other than than the state capital.

9. Authorize legislature to establish or change the number and boundaries of the judicial districts, providing the office of a district judge may not be abolished during his term.

10. provide that there shall be two or more district judges in each district.

11. Provides that the compensation of the clerk of district court be prescribed by law and shall not be diminished during his term of office.

12. Eliminates the present limitation on the jurisdiction of the district court to civil cases where the amount in controversy exceeds \$100 and to criminal cases where the ~~maximum~~ punishment exceeds three months' imprisonment or a fine of \$100.

13. Eliminate present constitutional limitation on the jurisdiction of the probate court and allow the legislature to confer upon the probate court such further jurisdiction as the legislature may determine.

14. Constitute, until otherwise provided by law, each county a probate court district and to provide that there shall be one or more probate judges in each district.

15. Provide that judges of the probate court shall be learned in the law and provide that the qualifications of all other judges and judicial officers shall be prescribed by law. All probate judges in office now shall be deemed learned in the law.

16. Provide a six-year term for all judges.
17. Provide that all judges shall be elected in the manner provided by law.
18. Continue the existing provision that judges of the supreme and district courts shall hold no office under the United States or the State of Minnesota except a military commission.
19. Provide that the term of office of a judge shall terminate if he files as a candidate for an elective office in the United States or for a non-judicial office of this state. The judge may run for election to another judicial office and will be permitted to continue to hold his office until he is elected to and qualified for the other office.
20. Authorize the legislature to provide for retirement of all judges, extension of the term of any judge who shall become eligible for retirement within three years after the expiration of the term for which he is selected, and the removal of any judge who is incapacitated while in office.
21. Provide that a judge filling a vacancy will not be required to run for election until one year after his appointment, instead of 30 days as at present.
22. Permit a retired judge to be assigned to hear and decide cases.

10/24/56

Dear Alene:

Sent this to both papers today as instructed by Board. In view of contents, it will not be necessary for you to have letter written on amendments we talked about.

Have been thinking of you-all today and hope you had a good meeting.

Thanks again for all your wonderful work; you have done so much, and I feel like a dog for having "killed off" one of the best public relations and board members we have ever had. Everything you have done has been nothing short of terrific and we - and I - will always be grateful, besides which you're such a darn nice person, and we'll miss you something fierce.

As I said -- ~~in case you~~^{can} change your mind -----

Affectionately,

Ehyl

Same letter to St. Paul Pioneer Press and Dispatch

October 24, 1956

Minneapolis Star and Tribune
Minneapolis, Minn.

To the Editor:

Because none of the issues involved in the three proposed amendments to the Constitution of the State falls within the current program of the League of Women Voters of Minnesota, it cannot lend its support or opposition to any of them. Through inadvertence, we were erroneously included in the list of supporters of Amendment No. 2 on the letterhead of the Statewide Committee for that amendment.

The League of Women Voters does, however, urge every voter to make a decision one way or the other on these amendments and cast his vote accordingly on the November 6th ballot. As part of our service to the voters, we provide factual information on these amendment proposals to help them cast an informed vote. It is available at our state office, 15th and Washington Avenue S.E., 14, Minn., or from any of our fifty-four local leagues throughout the s

We also remind them of the difficult amending process we have in Minnesota requiring that an amendment must receive the approval of a majority of a voting in the election, not just a majority of those voting for or against an amendment. This means that no vote counts as a "No" vote.

Unlike our statutory laws which are written by our elected representatives and need not be submitted to the electorate for approval, constitutional, or basic law is the prime responsibility of the citizen. In him rests the power and duty to frame and adopt it in the first place, and thereafter to decide if, when and how he shall alter, modify or revise it to suit his changing needs. The citizen is constitution-maker.

Mrs. Basil Young
President, League of Women Voters
of Minnesota

Hibbing, Minn.

cc Minneapolis League
Alene Grossman

(COPY)

October 13, 1956

file

Mr. E. Ray Cory, General Chairman
Statewide Committee for Highway Amendment No. 2
524 Northwestern Bank Bldg.
Minneapolis, Minn.

Dear Mr. Cory:

Confirming our telephone conversation this morning with reference to the use of the name of the League of Women Voters in your list of supporters, since the League has taken no position for or against this amendment, we cannot be included in this list.

Under our by-laws, we cannot support or oppose any issue that is not on the program adopted by our membership at convention.

I know you will understand, and hope that our name can be taken off the tentative list before it goes to the printers.

As part of our voters service work, we do issue pro and con material and speak to groups on all of the amendments so voters may be informed on the issues.

Sincerely yours,

Mrs. Basil Young
President

letter to Minneapolis Star & Tribune

October 24, 1956

St. Paul Pioneer Press and Dispatch
St. Paul, Minn.

To the Editor:

Because none of the issues involved in the three proposed amendments to the Constitution of the State falls within the current program of the League of Women Voters of Minnesota, it cannot lend its support or opposition to any of them. Through inadvertence, we were erroneously included in the list of supporters of Amendment No. 2 on the letterhead of the Statewide Committee for that amendment.

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Mrs. Basil Young
President, League of Women Voters
of Minnesota

Hibbing, Minn.

cc: Mrs. Moore, Pres. St. Paul League

On November 6, 1956, You Will Vote on 3 Amendments to the Minnesota Constitution

1. Judicial Amendment

PROVIDES FOR THE FOLLOWING:

- Supreme, district and probate judges required to be attorneys (except judges now in office); legislature may set requirements for other judges.
- Justice of peace courts removed from constitution.
- Legislature may create such minor courts and judicial offices as it thinks necessary.
- Legislature shall provide for election, retirement and removal, if incapacitated, of judges.
- Six-year term for all judges; however, term ends if judge files for a non-judicial elective office.
- Supreme or district court judges may hold no state or federal office other than a reserve military commission.
- No judge required to run for election until at least one year after appointment to a vacancy.
- Supreme court may appoint a clerk (now elected) and other necessary employees, may meet at places other than the capital, and shall have not less than six nor more than eight associate justices.
- District court duties may be extended, boundaries may be set by the legislature (providing no judge's office can be abolished during his term), judges may perform duties of another district judge or of a supreme court justice; and there shall be two or more judges in each district.
- Probate court duties may be extended and there shall be one or more judges in each district.

2. Highway Amendment

- Creates a highway user tax distribution fund from the net proceeds of the motor vehicle and gasoline taxes, to be divided as follows:
 - 62%—trunk highway fund,
 - 29%—county state-aid highway fund,
 - 9%—municipal state-aid street fund (for cities, villages, and boroughs having populations of 5,000 or more).(At the present time, all of the motor vehicle and $\frac{2}{3}$ of the gasoline tax revenues go toward trunk highways. The other $\frac{1}{3}$ of the gasoline tax revenue goes toward county roads.)
- Permits legislature to apportion 5% of net proceeds of distribution fund to any one or more of the three funds after January, 1963.

3. Iron-Ore Tax Amendment

- Diverts to current needs of public schools and University of Minnesota the 50% of the iron-ore occupation tax now going to the permanent school and University trust funds.
- Divides the 50% as at present:
 - 40% to current needs of public schools,
 - 10% to current needs of the University of Minnesota.

The League of Women Voters of Minnesota provides this factual information as a public service to help you make a decision for or against these amendments.

For further information write

LEAGUE OF WOMEN VOTERS OF MINNESOTA

15th and Washington Avenues S.E.
Minneapolis 14, Minnesota



REMEMBER NO VOTE COUNTS AS A "NO" VOTE
