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WORKING MEMORANDUM NUMBER 11

PRESENT ARRANGEMENT OF MINNESOTA'S EXECUTIVE BRANCH OF STATE GOVERNMENT

SEPTEMBER 1968

Prepared for the Governor's Council on Executive Reorganization

> by Public Administration Service

The present organization of the State's executive branch is portrayed in Chart I. Including the immediate offices of the Governor and Lieutenant Governor, the government contains 84 executive offices, agencies, boards and commissions which are of primary or substantial significance. These agencies and plural bodies possess administrative, quasi-legistive, or quasi-judicial authority. Sometimes they possess all three types of authority. In addition to these more significant agencies there are 108 advisory plural bodies -- 27 appointed wholly or partly by the Governor and 81 appointed under other authority. There are also 11 semi-state or state-related boards and commissions, and 80 more plural bodies of an intra-state regional or interstate character.

A listing of all of these state and state-related agencies and plural bodies is included in Appendix 1. For the more significant agencies, this appendix shows by categories of appointment or selection, the tenure of executive officers and the number and terms of plural body members. For advisory boards and commissions and quasi-state units, less or no such detail is shown. Largely they are listed in Appendix 1 by name only. This report may occasionally allude to some such state advisory and quasi-state executive agencies, but its major concern will be the 84 more significant organizational units of the executive branch.

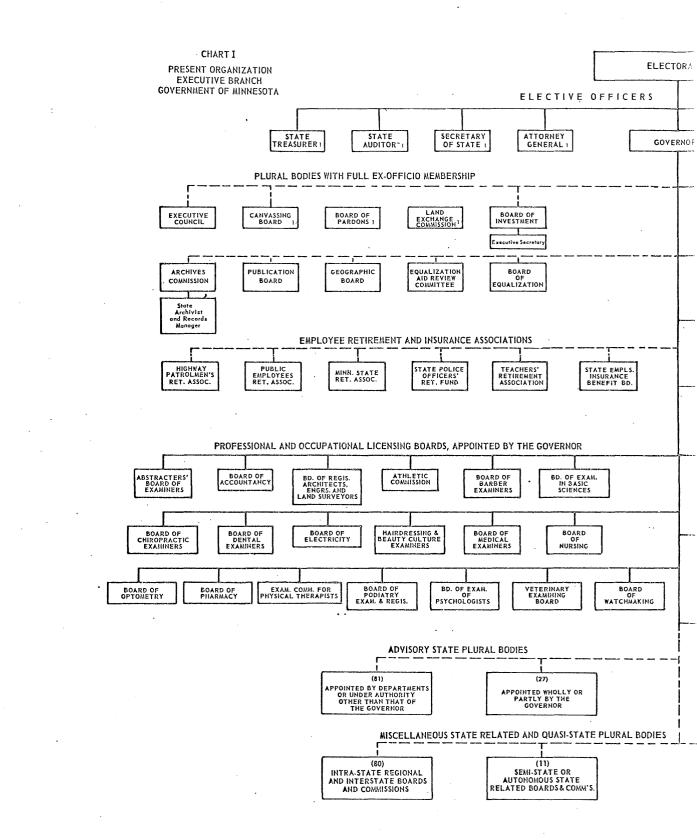
Of the 84 more important organizational units:

6 are headed by constitutional-elective officers.

- 10 are plural bodies with full ex-officio membership.
- 6 are employee retirement and insurance associations, boards, and funds with governing memberships variously chosen.
- 19 are professional and occupational and licensing boards appointed by the Governor.

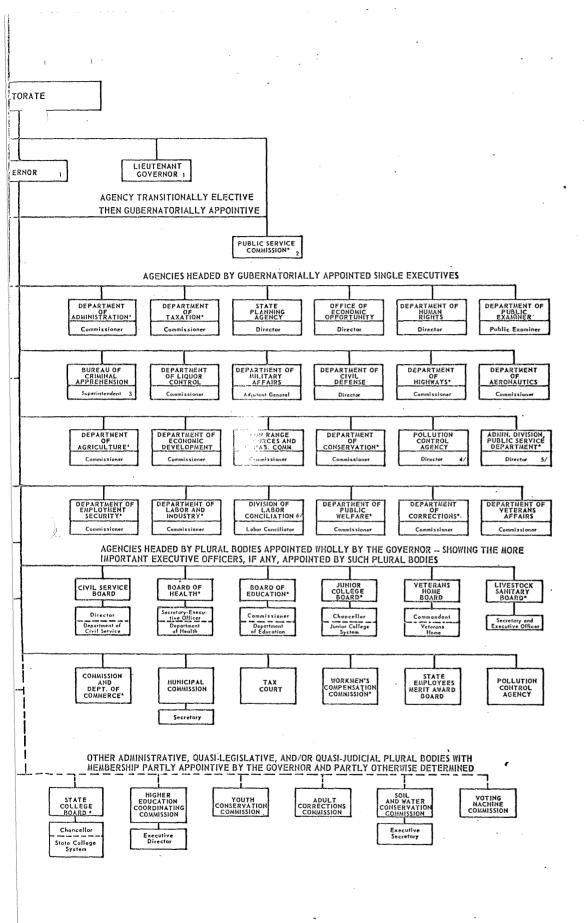
1 (the Public Service Department) is dually headed--by a commission which is transitionally elective but which eventually will become fully appointive by the Governor, and by an administrative division director appointed by the Governor.

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FOOTNOTES:

- * Agency for which its present internal structure is portrayed in a supplemental chart 1/ Provided for in State Constitution.
- r royaea for in state Constitution.
 2/ The Public Service Commission, successor to the fully elective Railroad and Watter
- 2) the Function Service Commission, successor to the fully elective Railroad and Wat The Administrative Division of this department is shown elsewhere on the chart.
- 3/ Appointed by the Governor but reports to the Attorney General.
 4/ Appointed by the Governor but bears some responsibility to the plural body entitle.
- 4/ Appointed by the Governor but bears some responsibility to the plural body entities has certain regulatory authority and is shown again elsewhere on the chart.
- 5/ Appointed by the Governor but bears some responsibility to The Public Service Ce_{c}
- 6/ Legally a part of The Department of Labor and Industry, but practically independent



al chart irrompanying the text.

 $d \; \forall \pi t^{h \gamma_{e}} \; Commission, is only one component of the Public Service Department. hart.$

entitled blaw the "Minnesota Pollution Control Agency". This plural body

rice Commission.

- 24 (including the administrative division of the Public Service Department) have single executives appointed by the Governor.
- 12 are headed by or are plural bodies appointed by the Governor. Most of these bodies appoint agency executive officers.
- 6 agencies are headed by or are plural bodies with memberships partly appointed by the Governor and partly selected or determined in other ways. Some of these bodies appoint executive officers.

The arrangement of executive agencies on Chart I generally conforms to the above stated categories; and so, generally, will the following explanation of administrative units and executive organizations. The internal organizational structures of some of the larger executive agencies accompany the text. The agencies so portrayed are noted with an asterisk (*) on Chart I.

Constitutional-Elective Officers

All constitutional-elective executive officers of the state are elected for coterminous four-year terms. They include the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Auditor, and State Treasurer. They are not, however, elected on a common slate or necessarily from the same political party. Most are required by law, or occasionally by constitutional mandate, to serve ex-officio on various boards and commissions. For some this is a very time consuming task.

Governor

It is implicit in the State Constitution that the Governor is intended to be the state's chief executive, and it is explicitly provided that "he shall take care that the laws (of the state) be faithfully executed." The Governor's powers of appointment derive principally from law, as do curtailments in his appointing authority. He has a negative upon laws passed by the Legislature; but he does not possess authority to order and effect substantive reorganizations within the executive branch of government. Executive organization, except for constitutional officers and bodies and for some intra-agency divisional alignments, are prescribed by statute.

The Governor is supported in his immediate office by a relatively small professional-technical and clerical-secretarial staff, totaling 16 employees. This staff has office management, press relations, public information, and research capabilities.

Lieutenant Governor

The Lieutenant Governor is first in line for succession to the governorship in case of its vacancy. His constitutional duties require that he be ex-officio President of the Senate and he is generally considered to be a part-time official. In actuality, when the Governor and Lieutenant Governor are from the same party, it sometimes happens that the Governor utilizes the Lieutenant Governor to a significant degree for service on important boards and commissions and as his alter-ego on ceremonial and other occasions when the Governor himself cannot be present.

Attorney General

The Attorney General is the chief legal officer of the state. In addition to providing general legal counsel and services to state agencies and to the Legislature, he and his staff: prepare legal opinions; perform civil and criminal litigation in behalf of the state; conduct consumer protection and anti-trust investigations; and perform or coordinate criminal and law enforcement planning and the development of police standards.

The Bureau of Criminal Apprehension is legally a division of the Attorney General's Department, although its superintendent is appointed by the Governor.

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Secretary of State

The Secretary of State performs various functions associated with elections including the filing of candidates for certain elective offices, the collection of filing fees, and the preparation of election forms and constitutional election ballots. He is also responsible for certifying incorporations and for bonding collection agencies, for registering charitable organizations, trade names, marks, and insignia, and for licensing automobile and mobile home dealers. His largest task is that of registering and licensing motor vehicles, which is accomplished largely through the medium of designated deputy registrars throughout the state. His department also licenses chauffeurs and school bus drivers.

Internally the Secretary of State's Department is divided into a Corporation Division and a Motor Vehicle Division. About 300 of the department's total staff complement of 315 employees work in the Motor Vehicle Division.

State Auditor

The State Auditor is not, as the name might imply, the state's post-auditor. Rather he is its pre-auditor and chief accounting officer. General books of account of the state are maintained in his department and, with the Commissioner of Administration and the Public Examiner, he prescribes the state's uniform accounting system. All original deeds, contracts, leases, claims, demands, bills, and vouchers upon which money is to be paid to or received by the state are filed in his department. His staff numbers 58 employees.

State Treasurer

The State Treasurer is custodian of all state funds, both cash and invested, including securities held for permanent trust funds, retirement associations, short-term cash investments, and securities pledged as collateral. His department keeps detailed accounts of receipts and disbursements and is the paymaster for the state. The staff of the State Treasurer numbers 21 employees.

Plural Bodies with Full Ex-Officio Membership

Of the 10 plural bodies which have fully ex-officio memberships, 3 are provided for in the State Constitution and the remaining 7 were created by statute. Executive Council

This is a statutory body consisting of the Governor, Secretary of State, State Auditor, State Treasurer, and Attorney General. It has certain specified administrative duties including the designation of state depositories, the approval of state mineral leases, the extension of timber permits, and the sale and disposal of certain state land. Also, within legal limitations, it may borrow and expend money in emergency or disaster situations.

Canvassing Board

This board is provided for in the Constitution but some of its duties are specified by statute. Returns of state elections or those involving more than one county are made to the Secretary of State who calls to his assistance, for canvassing the returns and declaring election results, two or more judges of the Supreme Court and two disinterested district court judges.

Board of Pardons

The Board of Pardons is a constitutional body consisting of the Governor, Attorney General, and Chief Justice of the Supreme Court with the power to grant pardons and reprieves and to commute sentences after conviction for offenses against the state, except in cases of impeachment.

Land Exchange Commission

This commission, provided for in the Constitution and by statute, approves the exchange of lands owned b the federal government or private interests for state-owned lands. It is composed of the Governor, State Auditor, and the Attorney General. The Commission selects and is advised on land exchange transactions by a Land Exchange Review Board.

Board of Investment

This is a constitutional and statutory body consisting of the Governor, the State Auditor, State Treasurer, Secretary of State, and Attorney General. It is responsible for formulating state investment policies and for the purchase and sale of securities for the permanent school fund, various state retirement funds, highway funds, and other departmental, current, and surplus funds which are available for investment. The Board selects an executive secretary and also an Advisory Committee on Common Stocks.

Archives Commission

This statutory body consists of the State Auditor, Attorney General, Public Examiner, Director of the Minnesota Historical Society, and the Commissioner of Administration -- with the latter ex-officio chairman. The State Archivist and Records Administrator is appointed by the Commission under civil service procedures. State Archives consist of records that have enduring value as evidence of the function, organization and activities of government. The Commission is empowered, within statutory limitations, to approve the destruction of obsolete records. A State Records Center is operated; and the Commission and Archivist are charged with the responsibility of establishing and operating a modern record management program for the state government and to facilitate records management improvement by the state's constituent local governments.

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Publication Board

This board consists of the Commissioner of Administration, Secretary of State, and Attorney General, but each member may designate one of his assistants as an alternate. The Board is empowered to prescribe regulations for: the periodic publication of rules and regulations of the state; the selection and compilation of administrative orders of state agencies; and a uniform format for compiled regulations.

Geographic Board

This statutory body consists of the Commissioner of Highways, Director of the Minnesota Historical Society, and the Commissioner of Conservation. It determines the official names of lakes, streams, and geographic areas and the correct spelling of such names.

Equalization Aid Review Committee

This statutory body consists of the Commissioner of Education, Commissioner of Administration, and the Commissioner of Taxation. It established adjusted property valuations in all school districts of the state for equalization aid purposes and conducts reviews of such valuations for readjustment purposes. The Department of Taxation conducts field work and property evaluation service for the Committee.

Board of Equalization

The Commissioner of Taxation, by law, constitutes the Board of Equalization. The Board is empowered to examine and compare the returns of assessments of property in the several counties of the state with a view, and with the power to effect equalizations of assessments as between counties and on a state-wide basis.

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Employee Retirement and Insurance Associations

There are 6 such associations, funds, or boards. They have memberships which vary from 3 to 12 in number and such members are usually drawn from or selected by the employee constituencies which they serve. Sometimes they include ex-officio members.

These associations have as their purpose the operation of retirement or insurance benefit plans for public employees. The constituencies of the several associations, funds, and boards are as follows: Highway Patrolmen's Retirement Association -- State Highway Patrol; Public Employees' Retirement Association -- public employees throughout the state including those of counties, cities, villages, townships, and school districts; Minnesota State Retirement Association -- state employees; State Police Officers' Retirement Fund --- game wardens and officers of the Bureau of Criminal Apprehension; Teachers' Retirement Association -- public school teachers not covered by separate local retirement and benefit systems; State Employees Insurance Benefit Board -- classified state employees and regular state employees who elect to participate in the group life_insurance and health benefits afforded.

Professional and Occupational Licensing and Examining Boards

There are 19 such boards with memberships varying from 3 to 10, and with tenures varying from 3 to 7 years. Members are appointed by the Governor, but almost invariably with legal prescriptions as to the professional and occupational groups which must be represented by appointees. These plural bodies have in common responsibility for licensing practicioners in various professional and occupational fields (as indicated by the names of such boards as shown on Chart I and

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in Appendix 1). Licensing is almost always preceded by an examination conducted by the board.

Sometimes responsibilities other than examining and licensing are vested by law in such boards, as follows: The Athletic Commission -- supervises all amateur and professional boxing contests; Board of Barber Examiners -- general supervision over barber shops, barber schools, and training of apprentices; Board of Electricity --supervises inspections of electrical installations; Board of Hairdressing and Beauty Culture Examiners -- inspects beauty shops and schools; Board of Nursing -- accredits schools of basic professional nursing and schools of practical nursing, and administers the state nurse scholarship law; Board of Pharmacy -- regulates the sale of drugs, medicines, chemicals, and poisons, and regulates the quality of drugs and medicines dispensed in the state; Board of Podiatry Examiners and Registration -- investigates reported infractions of the podiatry law; and the Veterinary Examining Board -- enforces laws regarding the practice of veterinary medicine.

Not included on Chart I or in the above discussion is the State Board of Law Examiners. Its membership is appointed by justices of the Supreme Court and thus may be considered in the judicial rather than the executive branch of State Government.

Department of Public Service

This department is unique in that it is dually headed by a transitionally a elective three member Public Service Commission, which in time will become appointive by the Governor, and by a gubernatorially appointive director of its 'administrative division'. The department was created in 1967 as successor to the Railroad and Warehouse Commission. The act creating the department provided

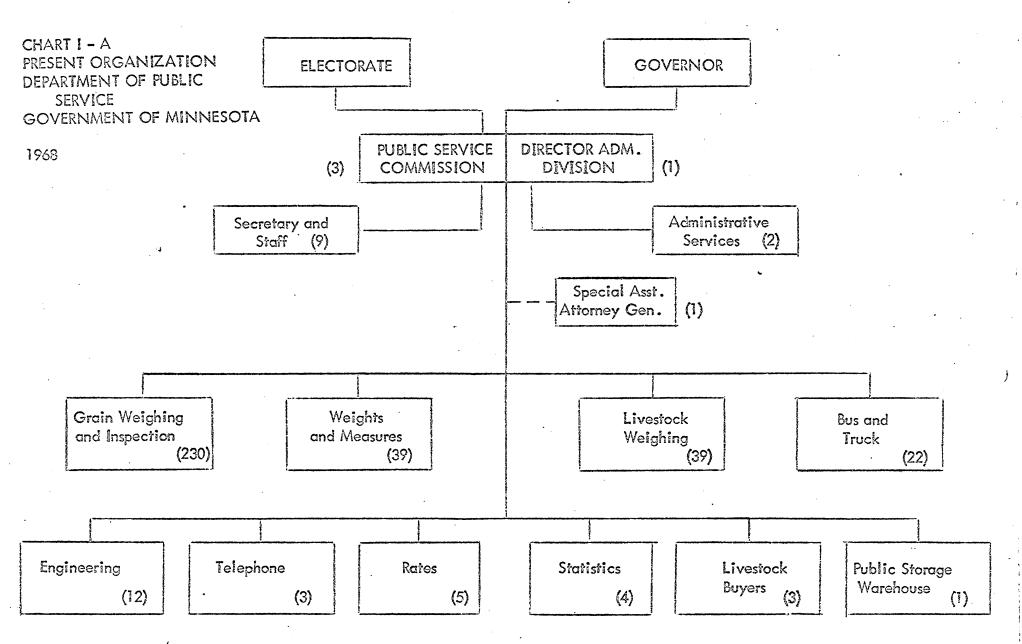
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that the three incumbent members of the Railroad and Warehouse Commission could serve out their terms as members of the Public Service Commission and stand for election for another term. Thereafter appointments to the Public Service Commission will be made by the Governor. Terms of commissioners will remain as before at six years. The position of administrative division director created by the act is appointive for four years, which term runs concurrently with that of the Governor.

While management of the department is shared by the commission and the director, the former is essentially a regulatory tribunal. The director supervises staff services for the department as a whole and assists the commission in overseeing operational functions of the agency. The department fixes rates and regulates railroads, bus and truck companies, petroleum carriers, and telephone companies, and conducts or supervises grain inspection and weighing, public terminal and local grain warehousing, weighing and measuring practices generally in the state including livestock weighing, and licenses and supervises livestock buyers and dealers.

The organization of the Department of Public Service is outlined in the accompanying Chart I-A. The department has a total staff complement of about 375 employees most of whom are distributed among operational units as follows: grain weighing and inspection; weights and measures; livestock weighing; bus and truck; engineering (railroads); telephone rates; statistics; livestock buyers; and public storage warehouses.

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() = Number of personnel of all categories Total staff complement - 374 employees.

Agencies Headed by Single Executives Appointed by the Governor

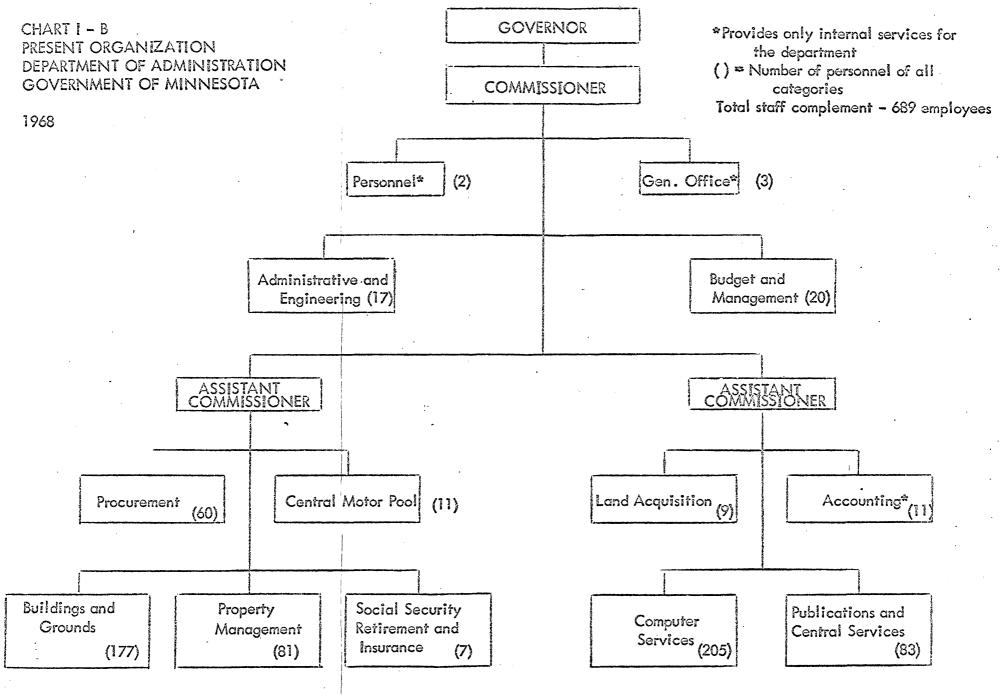
The agencies described in this section vary in size and importance. Some perform staff and general service functions on a central basis for line departments. Others are exclusively line or operating agencies, i. e., they administer substantive programs in direct service to citizens of the state or they supervise and assist local units of government which, in turn, directly administer such programs. The agencies included here have single administrators appointed by the Governor, normally subject to senatorial confirmation. Such officers are ordinarily termed "commissioners" if they head departments, and are usually called by other titles (e. g. "director, etc.) if they head offices, agencies, bureaus, or divisions. Here, however, as in other categories of state agencies, nomenclature of organizational units and of their principal officers, is not uniform or consistent.

Department of Administration

This is one of several principal staff units of government and it is the state's primary central service agency. It has a staff complement approaching 700 employees. Its internal structure is presented in Chart I-B.

The functions of the department are generally denoted by the names of its principal organizational elements. Aside from several small units which conduct administrative services exclusively for the department itself, the principal divisions of the department are as follows: budget and management; computer services; procurement; central motor pool; buildings and grounds; property management; social security retirement and insurance; land acquisition; publications and central services; and architecture and engineering.

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The Commissioner of Administration is chairman or secretary of several boards, commissions, and commitees, and serves ex-officio on others. The department is aided in policy formulation by some advisory groups, such as the Minnesota Information Systems Coordinating Committee, and it provides staff assistance to several quasi-state boards and associations.

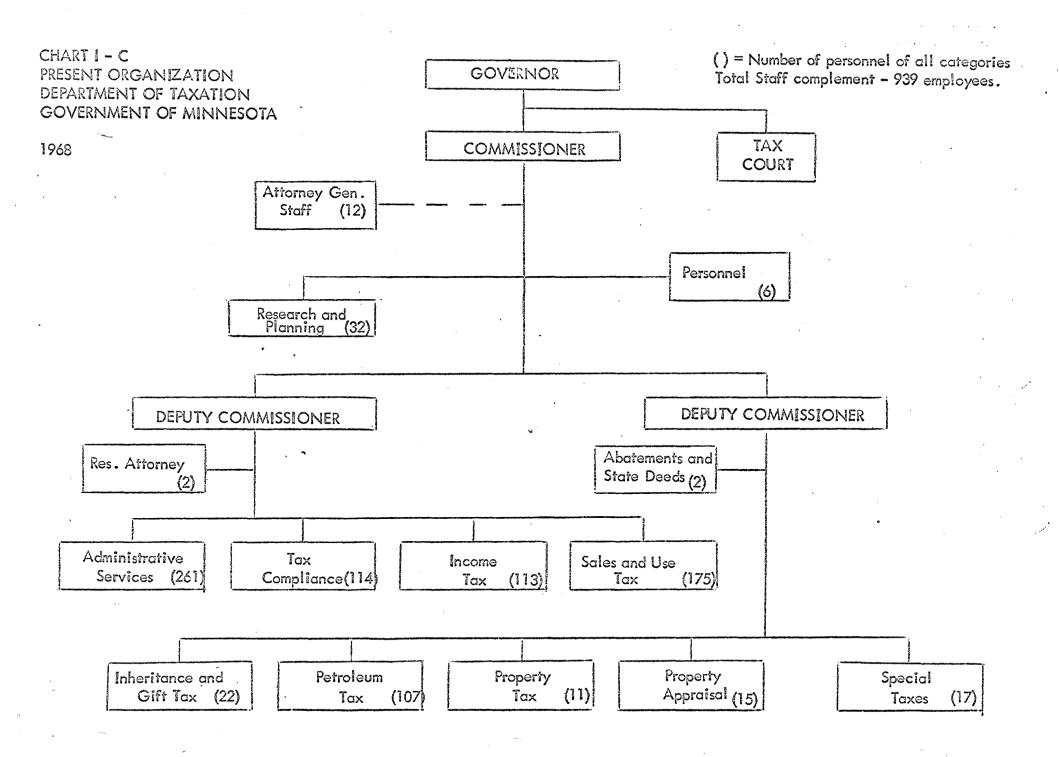
Department of Taxation

This is the primary revenue agency of the state government. Several important taxes are not within its jurisdiction but those which it does administer are numerous and varied. They produce about 90 per cent of all state and local tax receipts and 83 per cent of total state tax receipts.

The department has a central and field staff complement in excess of 900 employees. Its internal structure is outlined in Chart I-C. An assistant and several special attorneys general assigned to the department advise and assist the Commissioner and department on legal matters and the department also employs a special "research attorney". The Commissioner oversees a large Research and Planning Division and a small Personnel Division. The former is particularly important in tax program improvement for the state and in preparing and analyzing tax statistics and in developing revenue projections.

Otherwise the work of the department is divided between two deputy commissioners. One oversees divisions as follows: administrative services; tax complisance; income tax; and sales and use tax. The Administrative Services Division is not only a large unit but, like 'Research and Planning', is a very important element of the department. It not only provides regular budget and finance, supply and equipment, and general services to other organizational elements, but through its data and records services is in a position to control

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and facilitate input, output, and general work productivity of most tax divisions of the department.

The other deputy commissioner oversees a unit which handles tax abatements and state deeds, plus tax divisions as follows: inheritance and gift tax; petroleum tax; property tax; property appraisal; and special taxes.

Shown under a separate category from the Department of Taxation on Chart I, but included on Chart I-C, is the Tax Court. This is basically a judicial tribunal and is not a part of the Department of Taxation. The Court reviews and may redetermine orders of the Commissioner of Taxation regarding taxes, fees, and assessments when such orders are appealed by taxpayers. It determines questions of both law and fact, and its written decisions are final unless appealed to the Supreme Court. The Tax Court consists of three members appointed for six-year terms by the Governor.

State Planning Agency

The Governor is, by law, the State Planning Officer and appoints the State Planning Director. The latter heads the State Planning Agency which includes several comprehensive state planning and programming units with related special projects. It includes also an office of Local and Urban Affairs. The State Planning Agency is a relatively new and small organization with a total staff of about 55 employees including 10 full-time contract personnel. The agency is intended to be and is becoming a focus for state planning and programming correlation, for liaison with the federal government in problems and matters related thereto, and for certain state-local services and relationships. With respect to the latter, the Office of Local and Urban Affairs endeavors to coordinate the operations of state agencies with local governments, to encourage local government cooperative efforts, to serve as a clearing house for information to localities on federal grant-in-aid programs, and generally to coordinate planning and development on a local, metropolitan, and intra-state regional scale. There is a State Planning Advisory Committee created by law to consult and advise with the Planning Agency concerning its work. The legislative branch and the Governor appoint the committee's 17 members, and gubernatorial appointees may be state or local government officials or lay individuals.

Office of Economic Opportunity

This office functions under the provisions of the Federal Economic Act. It fosters and assists in the organization of community action councils, of which 36 have been formed in the state, and provides them with guidance and counsel in the multiplicity of programs which they can conduct with federal assistance. Such "CAP" programs are intended to enhance the well-being of disadvantaged people and in doing so they stimulate the social and economic betterment of localities and of community life. The State Office of Economic Opportunity has 12 employees. Department of Human Rights

This department, with an attached advisory Board of Human Rights, has as its purpose the encouragement and enforcement of fair practices and the elimination of discrimination in employment, housing, public accommodations, public services, and educational institutions. This program entails community organization and education, conciliation, investigations, and, as necessary, legal action to enforce compliance. The department has a staff of 16 employees.

Department of Public Examiner

Essentially this department is the post-audit agency of the state in respect to financial records of state departments and other state agencies, certain semistate agencies, all county governments, cities of the first class, and certain other municipalities and school districts. The Public Examiner approves fidelity bonds covering state officers and employees, and advises and assists the State Auditor and Commissioner of Administration in prescribing a uniform system of accounts for state departments.

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Bureau of Criminal Apprehension

This bureau performs a variety of criminal investigatory, identification, laboratory, communications, and police training functions and services. These are performed both in behalf of the state and its constituent local governments. Although as noted heretofore the Bureau of Criminal Apprehension functions under the legal jurisdiction of the Attorney General, its Superintendent is appointed by the Governor. The Bureau has a total staff of 65 employees.

Department of Liquor Control

Although it is a small agency, having a total staff complement of only 35 employees, the Department of Liquor Control has a definable and rather expansive internal organization consisting of operating sections as follows: labels and imports (6 employees); licenses and regulations (3 employees); auditing and receipts (4 employees); minimum consumer prices (1 employee); special permits (2 employees); and enforcement and inspection (17 employees).

The department enforces the Minnesota Liquor Control Act and oversees and enforces the collection of all excise taxes on distilled liquor, wine and beer. Supervision is accomplished through inspections of all distilled liquor and wine at the time of arrival in the state; and monthly reports required from distillers, vintners, brevers, and wholesalers, whether located in state or out state, are checked and audited for the purpose of establishing tax liability. Periodic inspections are made of all retail beverage dealers in the state. The department approves all licenses and bonds for manufacturers, importers, wholesalers and off-sale liquor licensees, and checks all certifications of licenses issued by municipal authorities. In addition, the department approves standards of quality and brands, and controls advertising of alcoholic beverages, and registers all brand labels. It also issues permits to private clubs and public places allowing the consumption and display of intoxicating liquor.

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Department of Military Affairs

This department consists of the Office of the Adjutant General (who heads the department), the military forces of the state, and all military reservations, installations, armories, air bases, and facilities owned or controlled by the state for military purposes. The military forces of the state include the Army National Guard, the Air National Guard, and, when organized, the State Guard.

The Adjutant General is charged with the responsibility of organizing, administering, training, supplying, and housing the Minnesota National Guard which has a total strength of almost 12,000 men. The force has both a federal and state responsibility and the major costs of its operation are borne by the federal government. Exclusive of military forces the Department of Military Affairs has some 1,150 employees.

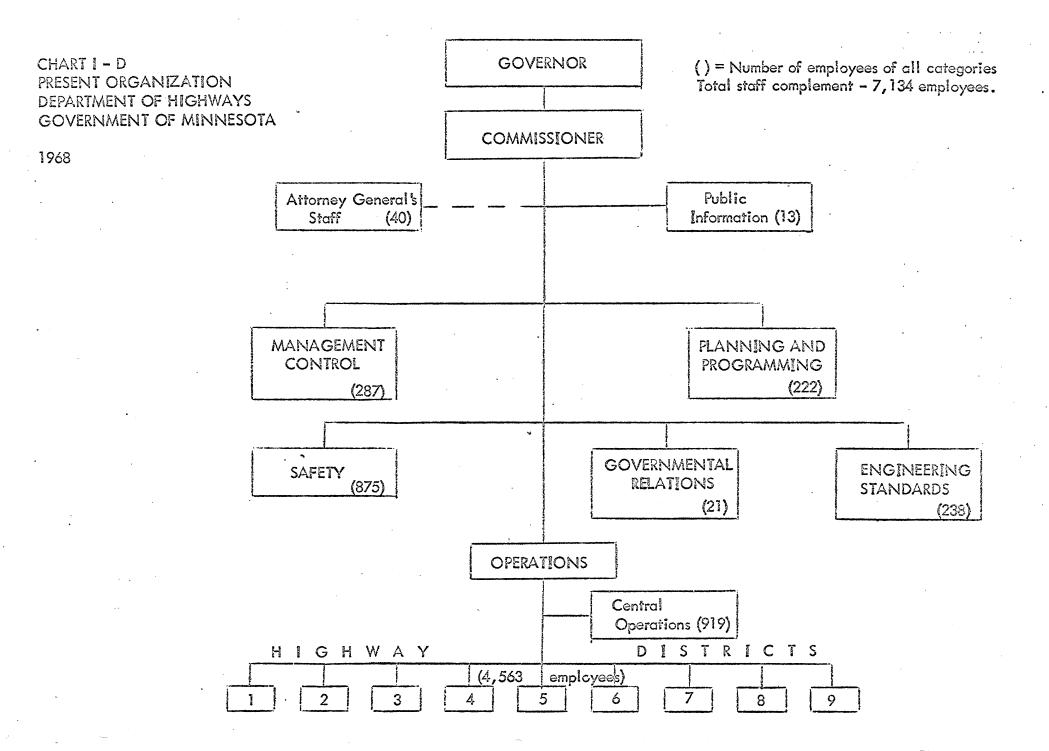
Department of Civil Defense

This department is responsible for planning and preparedness in anticipation of natural disasters or enemy attack, and for coordinating emergency operations when such events occur. This necessitates involvement of political subdivisions of the state and lay persons and civic and business groups. It is also necessary to correlate emergency plans of the state with those of the federal government. Regular expenses of the department are shared with the federal government but some special projects are fully funded federally. The Civil Defense Department has about 40 regular employees.

Department of Highways

With 7,200 employees, over 4,500 of whom work in nine field districts, the Department of Highways is the largest of existing state agencies. Pursuant to a recent consultant study it has six major central divisions in St. Paul ranging in size from over 900 down to 21 employees. The internal structure of the department is shown in Chart I-D.

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The Department of Highways is responsible for planning, constructing, and maintaining the interstate and state highway systems and for dispensing and supervising the use of state aid for local roads and streets. It has extensive intergovernmental relationships with both federal highway and local public works authorities. It is also responsible for patrol and safety on trunk highways and for driver licensing and allied activities. Operations of the department are financed entirely from dedicated state highway user funds and the proceeds of small highway related operations, plus federal aid funds appropriated to Minnesota and derived from federal highway user taxes.

The law creating the Metropolitan Transit Commission, an intra-state regional agency with jurisdiction in the Twin Cities Area, requires the Department of Highways to cooperate with the Commission by furnishing it with technical and other resources. Presently four employees, constituting a Mass Transit Section of Highways' Planning and Programming Division, are on assignment to the Metropolitan Transit Commission; and the Department of Highways assists the Commission in other ways to facilitate its activities which so far have been of an exploratory and planning character.

Department of Aeronautics

This is a small agency which promotes, in conjunction with federal and local agencies, the development of aviation facilities and services. Its purpose is to insure adequate levels of safety, utility, and availability of air transportation for all potential users within Minnesota. Supervisory and technical services involve the construction and maintenance of airports and allied facilities, including navigational aids, regulation of land use and physical enviroment surrounding airports; promotion of aviation safety and education, including the conduct of training courses and seminars, and the provision of various services to pilots.

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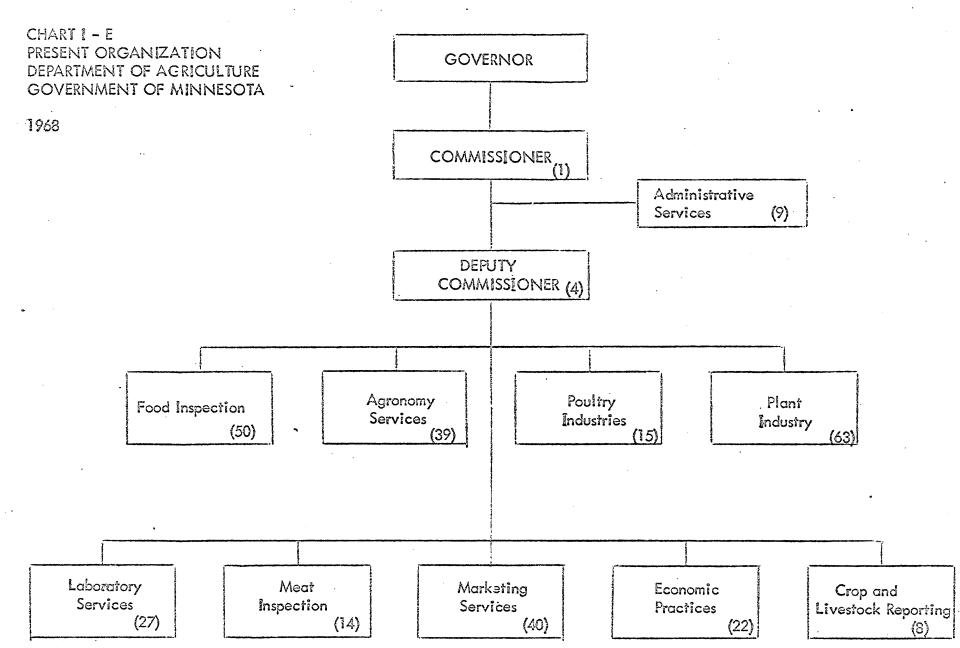
The agency assists localities in securing federal funds for airport developmental purposes. The department itself is supported by specific dedicated state aviation taxes, viz., the aviation fuel tax, a flight property tax, and the aircraft registration tax. The staff of the department numbers about 30 employees. Department of Agriculture

This is not a particularly large department but it is highly important to the state's economic development and well-being. Its total staff complement approximates 290 employees. This number is exclusive of 46 federal employees assigned to the department in conjunction with the federal-state agricultural statistics and reporting agreement. It excludes also some 86 county agricultural inspectors who work under state supervision in providing agronomy services. It does include, however, some seasonal workers, particularly produce inspectors.

The organization of the department is portrayed in Chart I-E, and the titles of its operating divisions give some indication of the principal concerns and emphases of the department. The agency's overall purpose is to promote and protect the well being of Minnesota producers, processors, and consumers by helping to insure an abundance of high quality food and agriculturally-related products. Consequently, the department is concerned both with agricultural and agri-business stimulation and development and with consumer protection services. Consumer protection activities are conducted by food and other consumer commodity inspectional program personnel and laboratories, whereas agricultural and agri-business development, stimulation, and protection are emphasized by agronomy, plant industry, poultry industry, marketing, and crop and livestock reporting units.

The department is assisted by a number of advisory boards and committees, some statutory and others created and appointed by the Commissioner. It also cooperates with a variety of private and quasi-state associations which have an agricultural orientation or which have an interest in and need for the services afforded by the department.

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() Number of state employees of all categories; does not include assigned federal employees or county inspectors under state supervision, but does include seasonal produce inspectors – Total staff complement (with exclusions noted above) – 292 employees.

A number of cooperative agreements are in effect between the department and federal agencies (primarily the U. S. Department of Agriculture), and these facilitate agency programs and the interests of both the state and federal government. The department is supported by a combination of general revenues, dedicated state funds, and some federal funding.

Department of Economic Development

This department was established to concentrate and correlate efforts directed toward the economic growth and development of the state consistent with its physical and human resource potential. The department, which has a total staff complement of 45 employees, is organized into administrative, industrial development, research, publicity and promotion, and tourism divisions. It also administers the Minnesota Unfair Cigarette Sales Act which, in the interest of assuring competition, prohibits the sale of cigarettes below cost.

While the development and expansion of business and industry utilize the greatest number of the department's available personnel, other units are also highly active. Accomplishment of its developmental mission necessitates extensive local, intra-state regional, interstate, interstate-regional, and federal contacts and relationships. It also requires close contact and association with the private sector, both intra- and out-of-state. The department prepares and dissiminates a variety of publications respecting state resources, potentialities and attractions, and assembles, analyzes, interprets, and publishes economic data applicable to the state's development and to the department's goals.

Iron Range Resources and Rehabilitation Commission

The Commission for which this agency is named is essentially an advisory body and consists of three senators, three representatives, and the Commissioner of Conservation. The agency, however, aside from considerable federal support for special projects which it obtains, is supported from dedicated funds (five percent

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of total iron ore occupation tax receipts) and the Commission itself can approve, disapprove, or modify recommendations of the Commissioner concerning their use.

The agency has a regular staff of 28 employees most of whom headquarter in Hibbing, Minnesota. This staff, which is largely professional and technical, is supplemented seasonally sometimes by as many as 300 to 500 workers on special projects. Research, the development of natural resources, and provision of the vocational training and rehabilitation for residents of counties where resources have been depleted, are the objectives of the agency. Such counties are located in northeastern Minnesota.

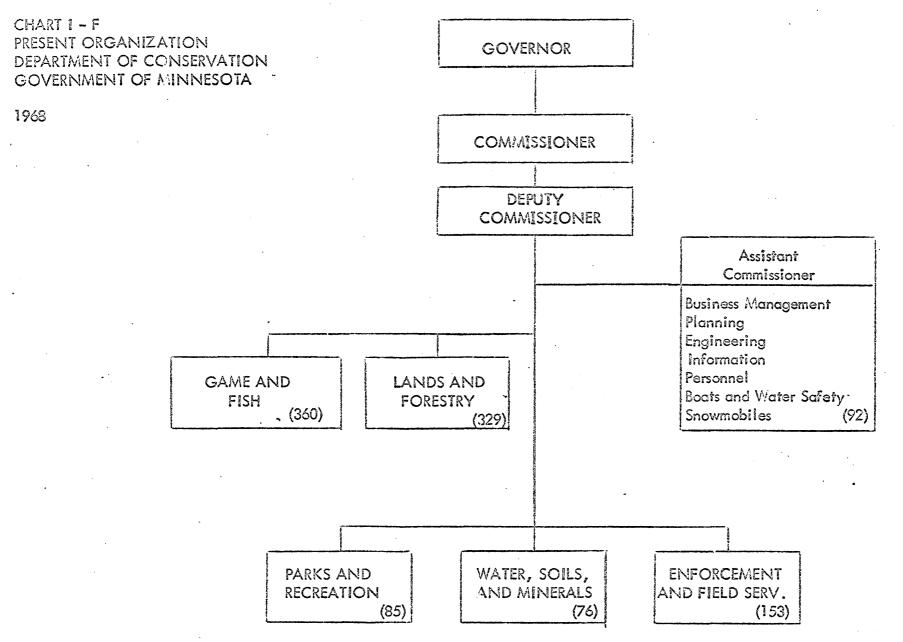
Department of Conservation

This department has recently undergone a reorganization and its structure is outlined in Chart I-F. Its total staff of almost 1,100 employees is distributed among five operating divisions and an assistant commissioner for business management and general services. The hames of the operating divisions indicate generally the nature of the department's responsibilities, viz., game and fish; lands and forestry; parks and recreation; waters, soils, and minerals; and enforcement and field services. The department provides fire protection to 17 million acres of forest land; manages 6 million acres of state-owned land, including state parks, forests and wildlife areas; administers and leases the state's mineral ownership in land; manages public waters and operates dams, hatcheries, and research laboratories; and, among other cooperative programs, assists private landowners with forest management.

Pollution Control Agency

This is both a quasi-legislative plural body and an administrative agency. It is shown therefore, in two places on Chart I. As an administrative agency it is headed by a Pollution Control Director appointed by the Governor and has a

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() = Number of employees of all categories. Total staff complement - 1,095 technical and clerical staff totaling 34 employees. Its authority includes water and air pollution abatement and control, solid waste disposal, and pollution related land use planning. This involves regulatory, enforcement, research, and technical assistance activities and necessitates extensive relationships with local, intra-state regional, interstate, and federal authorities.

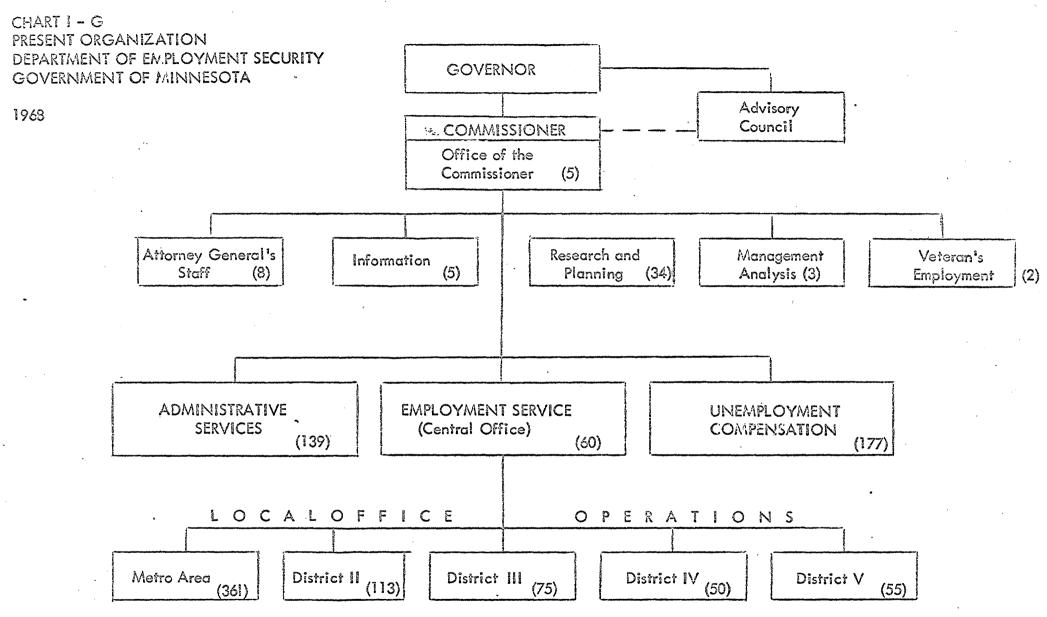
The Agency's plural body consists of seven citizen members appointed by the Governor. While the role of this plural body is primarily advisory it is successor to certain quasi-legislative authorities vested, prior to 1967, in the predecessor Water Pollution Control Commission. The 1967 law which created the Pollution Control Agency assigned it similar authorities related to air pollution control and solid waste disposal.

Department of Employment Security

This agency being federally financed is highly susceptible to federal influence. It is a relatively large agency having a total personnel complement of over 1,000 employees. Its arrangements for internal staff services are rather sophisticated as compared with most other state agencies. As can be seen on Chart I-G, the department has a large Administrative Services Division which has systems development, data processing, and other staff and general service capabilities; and the Commissioner and department are further aided by management analysis, research and planning, information, and legal services units. There is also an Advisory Council for Employment Security associated with the department which is appointed by the Governor and which consists of employer and employee representatives and members of the general public.

Operationally the department is organized between two major units, viz., the Employment Service Division and the Unemployment Compensation Division. The former provides a variety of services to job seekers, employers, community

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() = Number of employees of all categories Total staff complement - 1,087 employees.

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organizations, and other governmental agencies, and has a state-wide field organization consisting of 40 full-time offices organized into five districts. The traditional functions include recruitment, testing, referral and placement, job counseling, and the gathering and dissimination of information regarding the job market. Legislative mandates at both state and federal levels have enlarged the responsibilities of the Employment Service. The result is a transition from a strictly job placement service to a more comprehensive manpower service. The Employment-Service is increasingly becoming-involved in a variety of new programs, such as those made possible under the Economic Opportunity Act, the Manpower Development and Training Act, amendments to the Social Security Act, et. al.

The Unemployment Compensation Division administers an income maintenance program designed to replace a portion of involuntarily unemployed workers' wage losses. For this purpose an unemployment compensation fund is maintained. In conformance with federal standards, employer liability for employment security taxes and tax rates are determined, and claims for employee benefits are processed and benefit checks are issued. The division also audits benefits paid, conducts investigations, and hears and assists the Commissioner in hearing and deciding compensation appeals.

While the Employment Service selects and refers trainees under the Manpower Development and Training Act, the Unemployment Compensation Division pays training, transportation, and/or subsistence allowances to eligible trainees.

Department of Labor and Industry

The effect of an act which reorganized this department in 1967 was to give it a dual or quadruple head. Technically the department is under the direction of a Commissioner appointed by the Governor. However, the Workmen's Compensation

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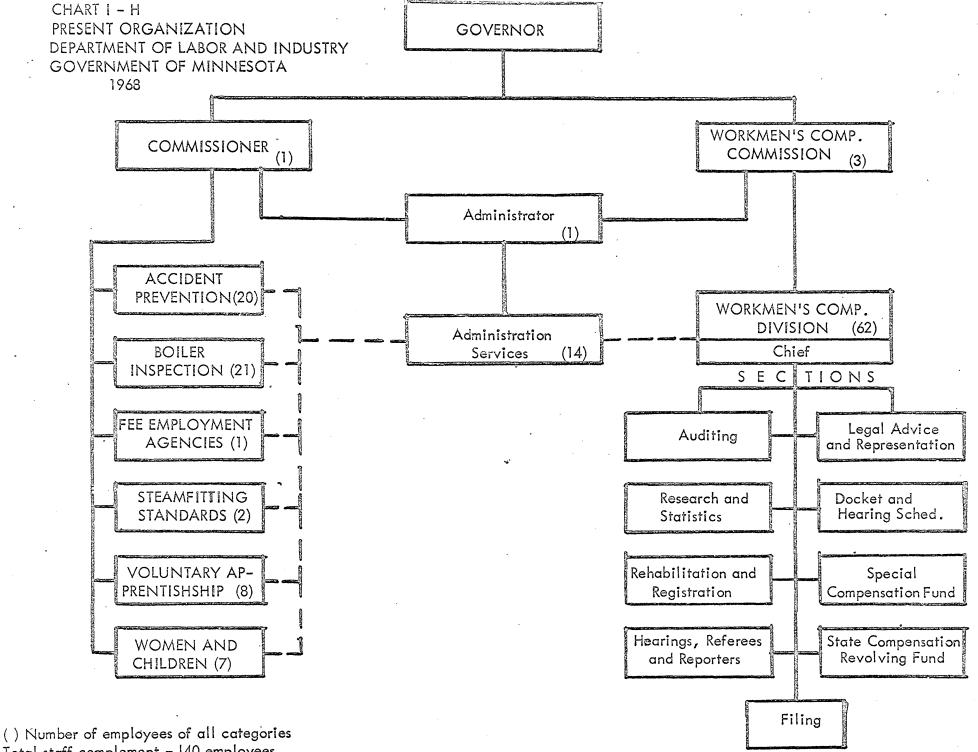
Division of the department is under the control of a three-member Workmen's Compensation Commission -- which is also appointed by the Governor. The Workmen's Compensation Commission is partially successor to the Industrial Commission, which, prior to 1967, was in full charge of the Department of Labor and Industry.

The rather awkward arrangement of the Department of Labor and Industry is reflected in the accompanying Chart I-H. On the overall chart of the state's executive branch (Chart I) the components of the agency are shown in two places. It is displayed at a department headed by a gubernatorially appointed Commissioner; and the Workmen's Compensation Commission is shown separately as a plural body appointed by the Governor. The situation is really even further confused. The Division of Labor Conciliation, discussed under the next sub-heading, is legally a part of the Department of Labor and Industry although it functions separately.

The Department of Labor and Industry (exclusive of Labor Conciliation) has a total staff complement of approximately 140 employees. This number includes the single departmental commissioner and the three commissioners of the Workmen's Compensation Commission. Those divisions of the department which are under the jurisdiction of the single commissioner are responsible for industrial accident prevention and for promoting safe working standards and conditions in industry and in the trades. They also enforce laws pertaining to working women and children; they examine and license boiler operators, steamfitters, and fee employment agencies and counselors, and they supervise and promote the state's voluntary apprenticeship program.

The Workmen's Compensation Commission is an administrative and quasi-judicial tribunal which, with the assistance of its staff of referees, attorneys, reporters, and other personnel of the Workmen's Compensation Division, administers the workmen's compensation law. The commission decides appeals from its referees' findings, which decisions may be appealed to the Supreme Court.

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Total staff complement - 140 employees

Labor Conciliation Division

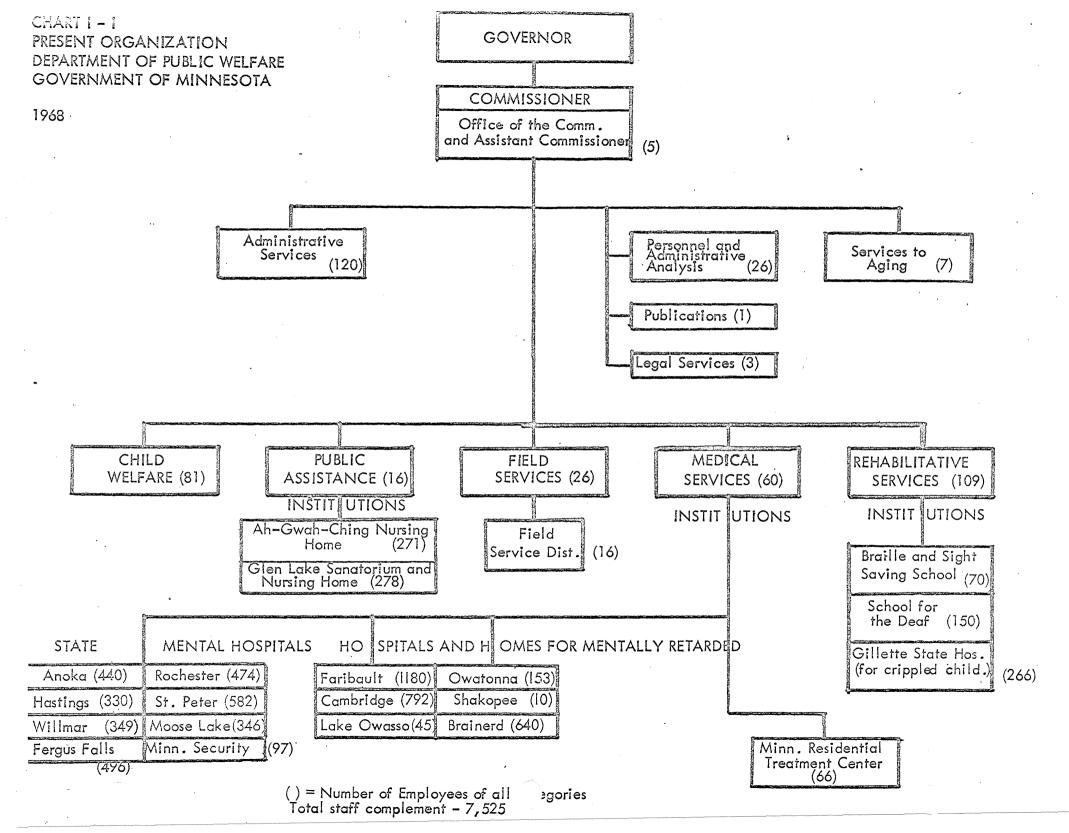
This division, headed by a gubernatorial appointee and practically separate from the Labor and Industry Department, has a total staff of 13 employees. It has three primary functions: 1) it provides conciliation services to private and public employers and employee groups in efforts to forestall work stoppages or minimize their duration; 2) through investigations and hearings (decisions from which may be appealed to the courts), it seeks to determine groups legitimately entitled to bargain with employers; and 3) upon request it certifies to district courts, from lists furnished by the State Bar Association, qualified arbitrators for service on court-appointed arbitration panels.

Department of Public Welfare

This is a large agency both in terms of personnel and expenditures. With over 400 central office personnel, a small field district staff, and employees at 20 institutions it has a total staff complement of some 7,500 employees. More than half of its expenditures, which exceed \$200 million annually, are derived from federal sources.

Organization of this department is shown in the accompanying Chart I-I. It directly administers many programs and services to assist people in need and, where possible, to improve their capacities and opportunities. Examples of this are operation of hospitals for the mentally ill, hospitals and schools for the mentally retarded, vocational rehabilitation of the blind, services to the deaf, and crippled children's services. It also supervises certain programs administered by county welfare boards. These include the so called catergorical aids -- old age assistance, aid to families with dependent children, aid to the disabled, and aid to the blind, plus medical assistance, surplus food allocation and the food stamp program, and various child welfare programs. In addition, the Department

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of Public Welfare provides grants-in-aid to other agencies to carry out certain other programs and services (e.g., mental health center operations, and day care and activity centers for the retarded). It also licenses facilities and agencies to carry out social welfare programs and services, including foster homes, daycare facilities, voluntary child placing agencies, child caring institutions, and voluntary institutions for the care of the retarded.

A number of advisory committees are related to this department, some statutory and others not; and some are appointed in whole or partly by the Governor while others are created interdepartmentally.

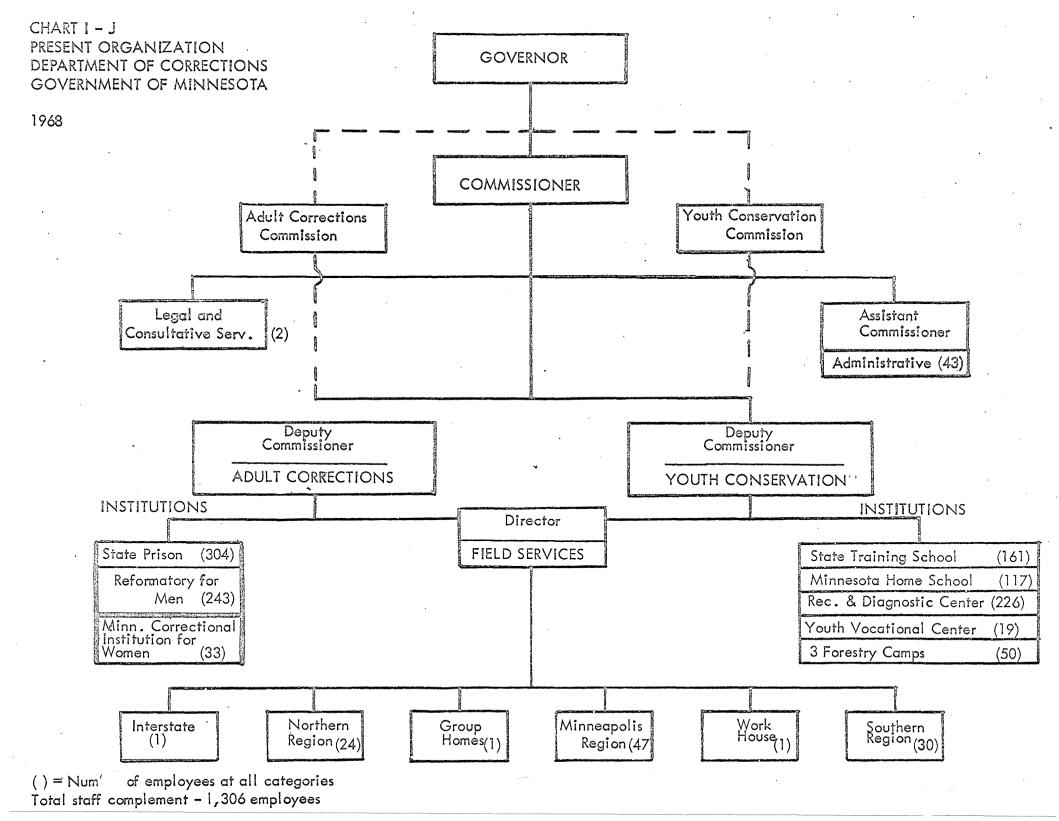
Department of Corrections

This department was created by separation from the Public Welfare Department in 1959. Simulataneously it was given duties of the Youth Conservation Commission. Also related to the department is an Adult Corrections Commission.

Organization of the Department of Corrections is shown in Chart I-J. Essentially it is the responsibility of the department to administer correctional institutions for juveniles and adults and to administer probation and parole field services not supplied by courts or municipal governments. The department operates 10 institutions or facilities of a correctional or training character which includes three adult correctional institutions, three youth schools, homes, and vocational centers, a reception and diagnostic center, and three forestry camps. For probation and parole field services the department has locations in 55 different communities of the state organized under a Field Services Division and operating principally in three geographical regions.

Altogether, including its central office, institutional industries personnel, and field service personnel, the department has a total staff complement of about 1,300 employees. Largely the department's approximately \$13 million annual budget

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comes from state appropriations; but two institutions (at Sauk Centre and Red Wing) are supported entirely from the state income tax school fund, and some federal grant money has been secured for special education projects.

It has been noted that the Youth Conservation Commission and the Adult Corrections Commission are related to this department. These are quasi-judicial bodies which possess certain overtones of administrative authority. The Youth Conservation Commission is composed of the Deputy Commissioner for Youth Conservation, as chairman, and five other members appointed by the Governor. All persons under 21 years of age at the time of their arrest who have been found guilty of a felony or gross misdemeanor are committed to this Commission. The Commission also accepts children adjudicated delinquent and committed to its jurisdiction by the juvenile courts. It has the authority to grant and revoke probation and parole and grant discharges to persons committed to it.

The Adult Corrections Commission is composed of the Deputy Commissioner for Adult Corrections, as chairman, and four other members appointed by the Governor. The Commission serves as the releasing authority for adult correctional institutions.

Department of Veterans Affairs

This is a relatively small department with a total staff of 42 employees. It provides a variety of services and direct benefits to qualified veterans and dependents of veterans. These include: financial aid programs for selected eligible persons and families where disability and need are a factor; educational assistance for war orphans of qualified veterans; representation on claims for veterans and dependents for tangible federal programs; assumption of responsibility for institutionalized veterans and dependents in looking after their interests for claims, etc., financial guardianship and conservation of funds of incompetent

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veterans, dependents, and minors where other suitable guardians cannot be selected; and provision of information to and functional supervision of professional county service officers.

In addition to the Office of the Commissioner, the central office of the department is organized into divisions as follows: Administrative services (including guardianship); Veteranș Claims; Veterans Benefits; and Field Service. The last named division operates branch offices in Duluth and Moorhead.

Agencies Headed by Plural Bodies Appointed Wholly by the Governor

Several of the agencies shown on Chart I which are included in this category have already been explained. Functions and the composition of the Tax Court were explained in connection with the Department of Taxation; it was logical to discuss the Workmen's Compensation Commission in conjunction with the Department of Labor and Industry; and the functions of the Pollution Control Agency, both as a plural body and as an administrative agency, have been explained. This leaves nine important agencies (aside from examining and licensing boards which were described separately above) that are headed by plural bodies appointed wholly by the Governor. These are discussed below.

Board and Department of Civil Service

The Civil Service Board is composed of three members appointed by the Governor. It is a policy-making and quasi-judicial body which determines the general direction and development of the personnel program for the state. The Board does not concern itself with day-to-day administration. Its role in program direction is accomplished through the adoption and promulgation of personnel rules, the conduct of public hearings on policy issues, the review and approval of classification and pay plans, and the hearing of employee appeals from disciplinary actions.

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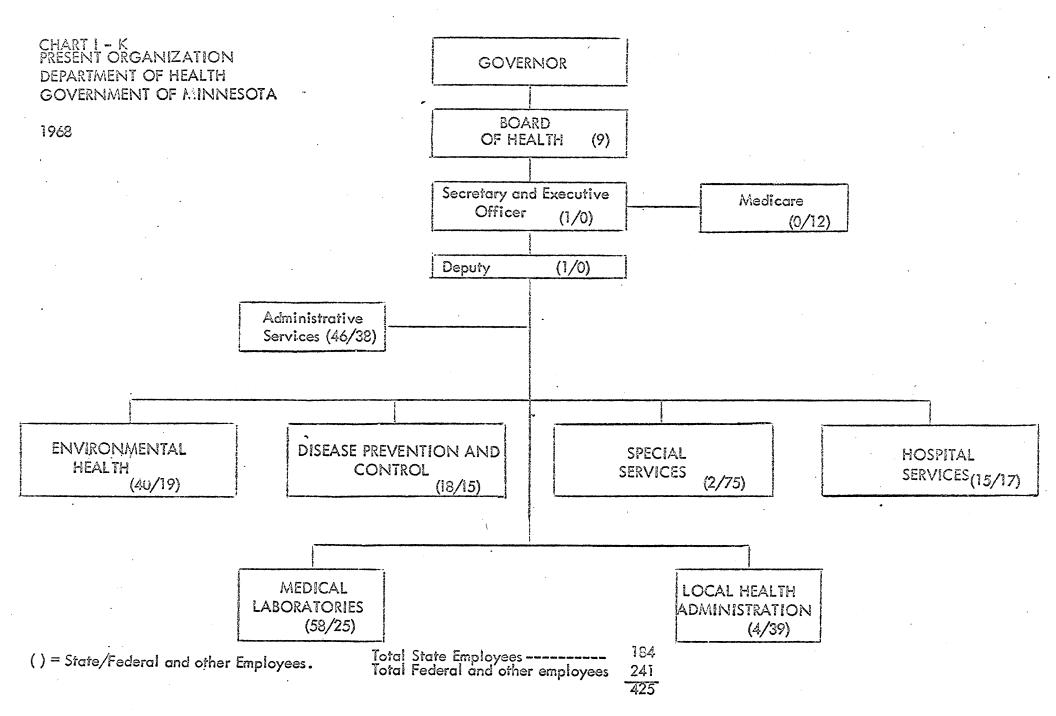
The Board also appoints the Civil Service Director following nationwide competition by examination. The Director is the administrative head of the Department of Civil Service and is responsible for its operations including, most importantly, recruitment and examination, classification and compensation, transactions and office management, and training. The department is organized into divisions or units essentially along these lines. To facilitate relationships and service to operating departments, senior representatives of the civil service agency, who are personnel generalists, are responsible for liaison with assigned departments. They report directly to the Office of the Civil Service Director. Including regular divisions and the senior representatives just noted, the Department of Civil Service has a total staff of 61 employees.

Board and Department of Health

The Board of Health consists of nine members learned in sanitary science appointed by the Governor. It exercises administrative, quasi-judicial, and rule-making powers in the protection, preservation, and promotion of public health. The Board also selects the Secretary and Executive Officer of the Department of Health.

The department and its Secretary-Executive Officer are charged with the administration of all lawful rules and orders of the Board. The department is organized as shown on the accompanying Chart I-K. It provides certain medicare qualification services; does licensing and inspecting relative to environmental health conditions and consumer protection; conducts disease prevention and control work; provides medical laboratory services; supervises local health administration; provides various special services including those related to maternal and child health; and it assists localities relative to hospital and health facility needs.

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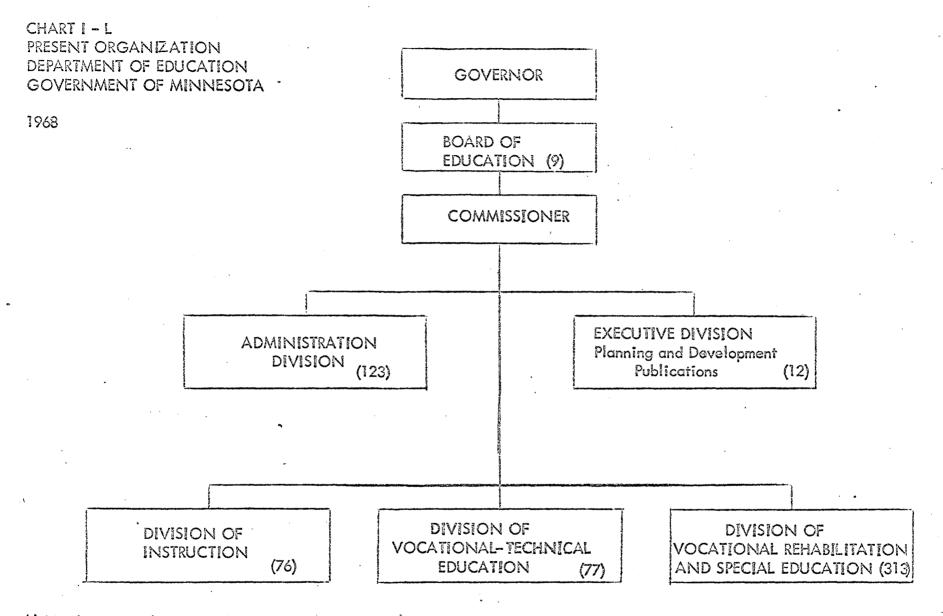
The department is supported by a combination of state general funds appropriations, special state dedicated receipts, and federal funds. The major portion of its support comes from the latter source. The total staff complement of the department is 425 employees, but 241 of these are federal or other non-state personnel, so that only 184 of the department's staff are state employees. Board and Department of Education

The Board of Education consists of nine representative citizens of the state appointed by the Governor at least one of whom must reside in each congressional district. The Board has broad powers to administer and supervise the state public school system and allied educational programs. It formulates educational policies within the framework of state educational laws.

The Commissioner of Education is appointed by the Board and is chief administrative officer of the Department of Education. He is responsible to the Board for planning, directing, and implementing departmental programs consistent with the laws of the state and policies established by the Board.

The department has a total staff complement of approximately 600 employees organized as shown on the accompanying Chart I-L. Its four major divisions are: administration; instruction; vocational-technical education; and vocational rehabilitation and special education. The functions of the department are directed toward: 1) the development of leadership and initiative on the local levels so that communities will desire optimum rather than minimum standards of performance; 2) regulation to assure protection of the lives and health of youth and children, a basic minimum in both quality and scope of instructional programs, efficiency and economy in administration and in the use of public school funds and education for citizenship; and 3) direct operation of certain programs including an extensive vocational rehabilitation program designed to enable handicapped residents of Minnesota to develop, preserve or restore the ability to perform remunerative work.

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() Number of employees of all categories Total staff complement - 601 employees.

The department provides field instructors for occupational and technical training. It also recommends the designation and establishment of post high school area vocational-technical schools in the state and is responsible for the state-wide supervision of these schools. Such schools, however, are administered locally by public school districts.

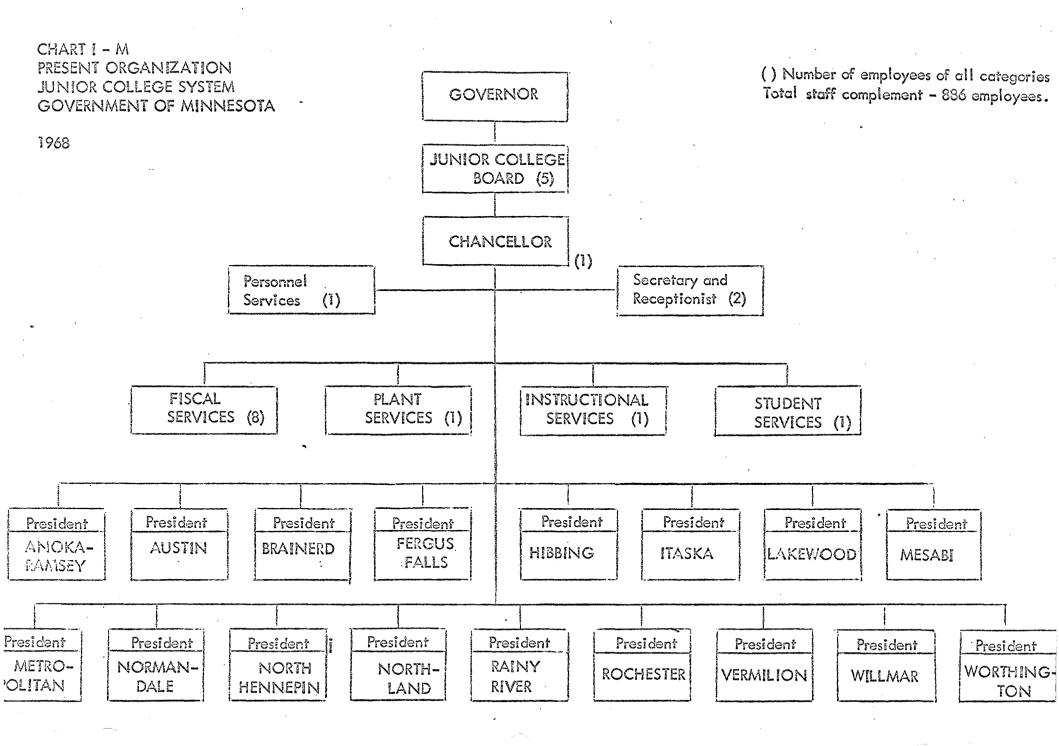
Numerous advisory committees are associated with the Department of Education. Some are provided for by law, but most are formed internally by the department for special purposes such as is often now necessary in achieving coordinationn for newly authorized federally supported programs.

Junior College Board and System

The Junior College Board consists of five members appointed by the Governor. It has powers necessary and incident to the management, supervision, and control of state junior colleges, and it recommends to the Legislature the location of new junior colleges. There are at present 17 such colleges in the Junior College System and another will open in the fall of 1970.

The Chancellor is appointed by the Board and is responsible to it for administering Board policies, for providing direction and guidance to colleges in the system, and for furnishing central services. For general services and for plant development, instructional, and student services, the Chancellor is assisted by a small central staff which, including himself, consists of 16 people. The Board also appoints the presidents of junior colleges and a local advisory board for each. In total the junior colleges employ 871 personnel including both professional academic and non-academic employees. In total, therefore, the Junior College System has 886 employees. Its structure is outlined in Chart I-M.

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The state junior colleges provide two years of work which can be transferred to baccalaureate programs, two year associate degree programs such as for nursing and engineering technology, vocational certificate programs if area vocational technical schools are not located in the area, continuing education for adults, and community service.

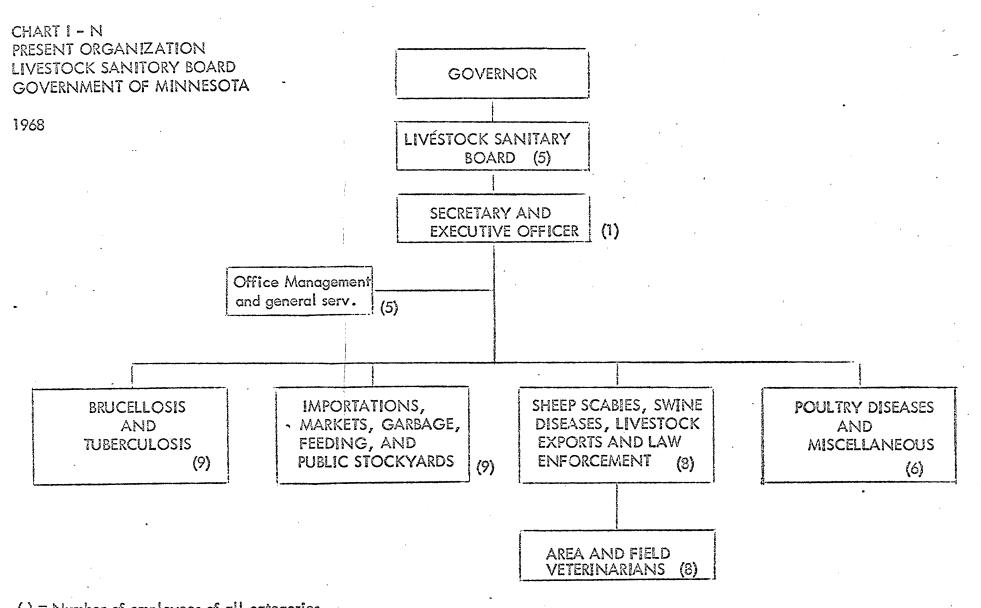
Veterans Home Board and Veterans Home

The Veterans Home Board consists of nine members appointed by the Governor, one of whom shall be a woman. It is responsible for the management of the Minnesota Veterans Home which was established to care for honorably discharged veterans of all wars unable to earn a livelihood and who lack funds to support themselves. Wives, widows, and mothers of deceased veterans, if they are 55 years of age or older and have no means of support, are also eligible for admission.

The Board appoints a Commandant who, under the Board's direction, has immediate charge of the home. He nominates for approval by the board subordinate officers and employees to operate the home. The number of such officers and employees is approximately 100.

Livestock Sanitary Board

The Livestock Sanitary Board is the official animal disease control agency of the state. It consists of five members appointed by the Governor. Two members must be veterinarians and three must be persons engaged in the production of livestock in the state. The Board appoints a Secretary who is the executive officer of the Board. The total staff of the agency is 46 employees, but it utilizes accredited private veterinarians extensively to participate in statefederal programs of disease control and to issue health certificates for the movement of animals intrastate, interstate, and for export from the United States. The internal organization of the agency is portrayed in the accompanying Chart I-N.



() = Number of employees of all categories Total staff complement - 46 employees.

Commission and Department of Commerce

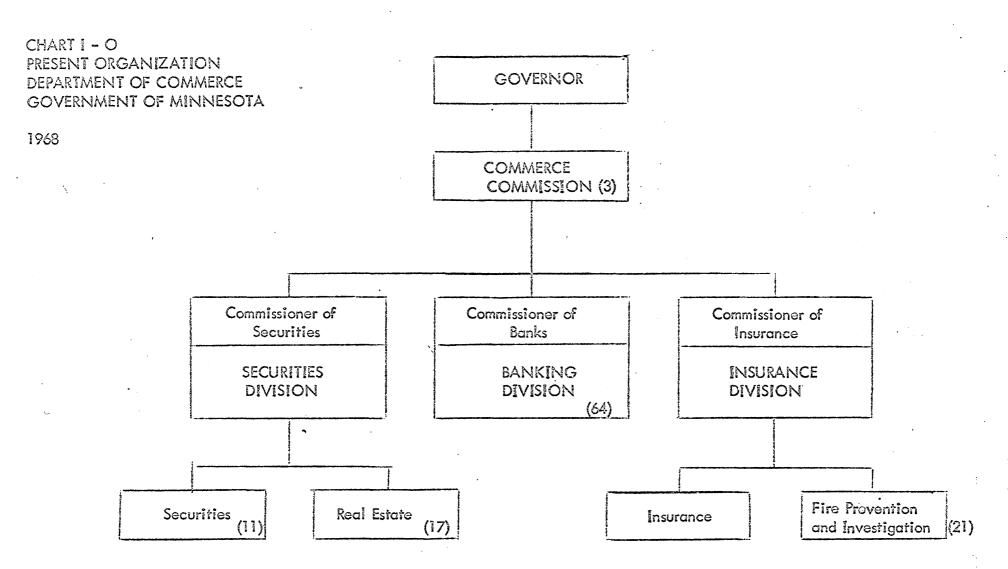
The Department of Commerce is under the supervision and control of a commission consisting of the Commissioner of Banks, Commissioner of Insurance, and Commissioner of Securities. Each commissioner is appointed by the Governor and heads a separate independent division of the department. Organization of the department is outlined in the accompanying Chart I-O. Its total staff complement including the three commissioners is 166 employees.

The Commission as a body conducts hearings on applications for bank and savings and loan charters and for licenses to operate industrial loan and thrift companies; conducts hearings on applications for insurance companies to enter into business or to merge; conducts hearings on revocation of licenses of brokerdealers, investment advisors and agents and on the revocation of securities registration s; and reviews, upon written request of aggrieved persons, the quasi-judicial acts of a single commissioner of the department.

The Banking Division regulates, supervises, and conducts examinations as required by law of banks, trust companies, savings, building and loan, credit, and other lending institutions, associations and companies.

The Insurance Division regulates, supervises, and examines insurance companies licensed to operate in the state; approves policies issued to residents of the state and approves rates for casualty, accident and health policies; examines and licenses insurance agents; and investigates complaints of policy holders against insurance companies and agents. The Commissioner of Insurance is the State Fire Marshall and as such enforces laws, rules and regulations on fire prevention, provides for the inspection of schools, hospitals, rest homes, hotels, multiple unit dwellings and private day care homes, and organizes training schools for firement.

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() = Number of employees of all categories Total staff complement - 166 employees. The Securities Division licenses, regulates and examines broker-dealers and investment advisors; registers securities; advises firms regarding types of securities to be offered; conducts public information programs relative to investments and their risks and for the purpose of fraud prevention; and administers and enforces the real estate licensing law.

Municipal Commission

The Commission consists of three members appointed by the Governor. Supplemental members, who shall be county commissioners, serve on the Commission when matters affecting localities within their jurisdictions are being deliberated. Pursuant to its hearings, and subject to appeal to the courts, the Commission can authorize municipal annexations, mergers, incorporations, and detachments.

State Employees' Merit Award Board

This Board is composed of five state officers or employees appointed by the Governor. It is responsible for formulating and maintaining plans to encourage and reward unusual and meritorious suggestion and accomplishments by state employees in the promotion of efficiency and economy in state government.

Administrative, Quasi-Legislative, and/or Quasi-Judicial Plural Bodies with Membership Partly Appointive by the Governor and Partly Otherwise Determined

Within this category of agencies the Youth Conservation Commission and Adult Corrections Commission have already been discussed in connection with the Department of Corrections. The remaining four agencies are described below.

State College Board and System

The State College Board consists of nine members, eight appointed by the Governor and the ninth member being the Commissioner of Education. This Board is authorized by law to manage, supervise, and control state colleges and their property and all aspects of their operation. There are six colleges in the State College System. The Board also appoints the Chancellor of the system and the presidents of the several colleges.

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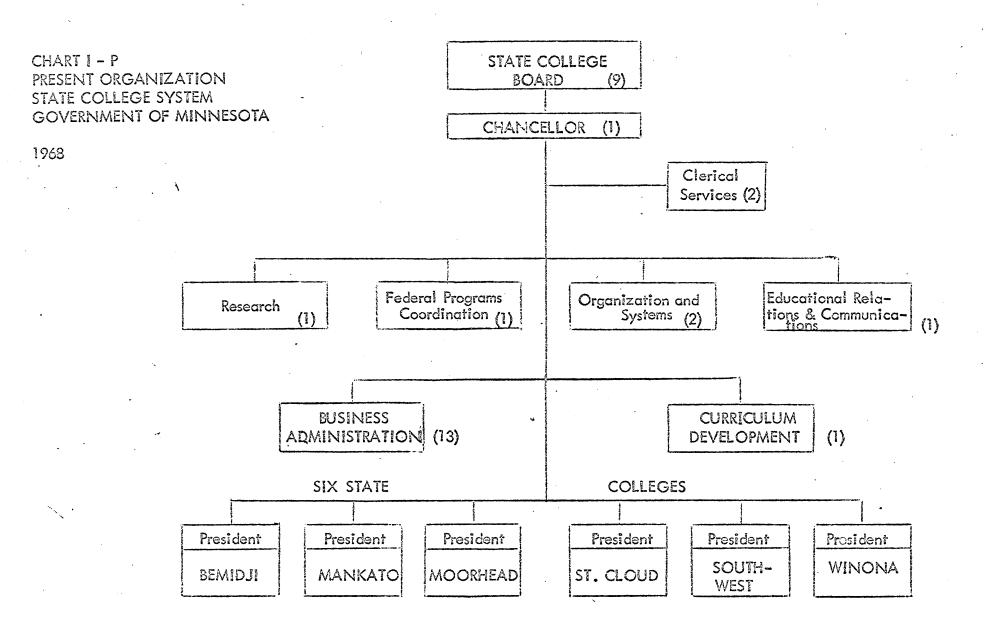
The Chancellor is the executive officer of the Board, and in keeping with its policies, is responsible for research and planning relative to staff, plant, and curriculum development, and for providing central services for the State College System. He is assisted by a central office staff, which including himself, consists of 22 employees. Organization of the system as a whole is outlined in Chart I-P. Its total staff complement, including academic and non-academic personnel at the six colleges, is 2,399 employees.

The purpose of the state colleges is to provide an educational environment in the liberal arts tradition. They offer a wide variety of course offerings leading to many different vocations and professions. Teaching still represents a major professional goal. Along with the traditional bachelor of arts and bachelor of science degrees and several graduate degrees the colleges have instituted special two-year terminal programs resulting in an associate of arts diploma. They also offer special courses and programs reflecting the unique demands of citizens of the communities and areas in which they are located.

Higher Education Coordinating Commission

This Commission consists of 18 members. Eight citizen members are appointed by the Governor, seven of whom are selected for their knowledge and interest in higher education of one of whom is selected for his knowledge and interest in vocational education. Ten other members include the following: a) two members appointed by the Governor who must be presidents of private colleges or private universities in the state; b) four members - the Chairman of the University of Minnesota Board of Regents, the President of the State College Board, the President of the State Junior College Board, and the President of the State Board of Education; and c) four members - the Chancellor of the State Junior College Board, and the Commissioner of Education.

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() = Number of employees of all categories Total staff complement - 2,399

The Higher Education Coordinating Commission appoints an Executive Director as its principal officer and has a total staff complement of 27 employees with some professional staff serving in a part-time consultative capacity.

The Commission is charged by law with the following duties; a) continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state in respect thereto; b) continuously engage in long range planning of the needs of higher education and if necessary, cooperatively engage in such planning with neighboring states and agencies of the federal government; c) apply for, receive, accept and disburse federal funds made available by the Higher Education Facilities Act of 1963, or amendments thereto, for any purpose of furthering facilities for higher education in the state, both public and private; and d) report to the Governor from time to time concerning its activities, and file a formal report to the Governor biennially, including its recommendations, for possible inclusion by the Governor in his budget message to the Legislature.

Soil and Water Conservation Commission

This Commission is composed of five farmer members appointed by the Governor and four ex-officio members as follows: Dean of the Institute of Agriculture, University of Minnesota; Director of the Agricultural Extension Service, University of Minnesota; Commissioner of Agriculture; and Commissioner of Conservation. The State Conservationist of the U. S. Soil Conservation Service and the President of the State Association of Soil and Water Conservation Districts are advisory members of the Commissioni.

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