

purpose of sharing an equitable portion of the cost of effecting the return of any person who has violated the terms and conditions of parole or probation as granted by this state.

Sec. 4. This act becomes effective July 1, 1957.

Approved April 24, 1957.

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CHAPTER 603—H. F. No. 1490

[Coded]

*An act relating to State Teachers Colleges; authorizing acquisition, equipment, improvement, operation and control of residence halls, dormitories, dining halls, student union buildings, and other revenue-producing buildings thereat, and sites therefor; defining duties of the State Teachers College Board of the State of Minnesota and any successor thereof with respect thereto; providing for and authorizing issuance of bonds for such purposes payable solely from revenues of facilities at such colleges and for refunding of such bonds; and amending Laws 1955, Chapter 715, Sections 1, 2, 4 and 6.*

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

Section 1. Laws 1955, Chapter 715, Section 1, is amended to read:

Section 1. [136.31] Teachers College Board, duties.

*Subdivision 1. All references in this act to The Teachers College Board of the State of Minnesota shall be deemed and construed to include any successor thereof created or established by law. The Teachers College Board of the State of Minnesota is hereby authorized to do the following, provided that no obligations shall be incurred, contracts made, or bonds issued unless prior approval of the proposed building or buildings or other facilities and the method of retirement of the bonds has been obtained from the legislature:*

(a) acquire by purchase or otherwise, construct, complete, remodel, equip, operate, control, and manage residence halls, dormitories, dining halls, student union buildings and any other similar revenue-producing buildings of such type and character as said board shall from time to time find a necessity therefor exists and as may be required for the good and benefit of any of the State Teachers Colleges under the jurisdiction of said board, and for that purpose may acquire property of any and every kind and description, whether real, personal or mixed, by gift, purchase or otherwise;

(b) maintain and operate any such buildings or structures and to charge for the use thereof, and carry on such activities, as are commonly conducted in connection with any such buildings or structures;

(c) enter into contracts touching in any manner or any matter within the objects and purposes of this act;

(d) acquire building sites and buildings or structures by gift, purchase or otherwise and to pledge the revenues thereof for the payment of any bonds issued for such purpose as provided in this act;

(e) borrow money and issue and sell bonds in such amount or amounts as said board may determine for the purpose of acquiring, constructing, completing, remodeling, or equipping any such buildings or structures, and acquiring sites therefor, and to refund and refinance the same from time to time as often as it should be advantageous to the public interest so to do. All such bonds shall bear interest at not more than 5 percent per annum and may be sold by said board in such manner as they may deem best in the public interest; provided that *no issue of* such bonds shall be sold at such price that the interest costs of the proceeds therefrom will exceed 5 per cent per annum based on the average maturity of *the bonds of such issue* and computed according to standard tables of bond values. Such bonds shall be payable solely from and secured by an irrevocable pledge of the revenues to be derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of such bonds and in addition thereto from such other income and revenues described in section 3 (a) of this act as said board by resolution shall specify, and *notwithstanding* this limitation all bonds issued hereunder shall have the qualities of negotiable instruments under the laws of this state.

*Subd. 2.* Such bonds may bear such date or dates and may mature *serially* at such time or times not exceeding 40 years from their date or dates, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, *may be delivered to the purchasers at such times and places*, and may contain such terms and covenants, *not inconsistent with this act*, all as may be provided by resolution of said board authorizing the issuance of such bonds.

*Subd. 3.* Such bonds shall be executed by such officers of said board as shall be designated by said board and counter-

signed by the treasurer of the board who shall be an officer duly elected by the board; *provided that at least one of such officers shall sign each bond manually and the other signatures or countersignature thereon and on the interest coupons may be printed, lithographed, stamped or engraved thereon.* Any bonds bearing the signature of officers in office at the date of signing thereof shall be valid and binding for all purposes, notwithstanding that before delivery thereof any or all such persons whose signatures appear thereon shall have ceased to be such officers, *or that any or all such persons did not hold such offices at the date of such bonds.*

*Subd. 4.* Each such bond shall state upon its face that it is payable solely from and secured by an irrevocable pledge of the revenue derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of the sale of said bonds and from such other income and revenues described in section 3 (a) of this act as specified in the resolution providing for its issue, and that it does not constitute a debt or obligation of the State of Minnesota within the meaning or application of any constitutional or statutory limitation or provision. Such bonds will be registered by the State Auditor in a bond register to be kept for that purpose wherein shall be entered the amount and purpose of issue, the maturity and rate of interest, and the name of the original purchaser.

*Subd. 5.* Whenever the board shall by resolution determine that there are moneys in the possession of its treasurer not currently needed, or which are set aside in any reserve, the board may in and by such resolution authorize and direct the treasurer to invest a specified amount thereof in treasury bonds or bills, certificates of indebtedness, bonds or notes of the United States of America, all of which must mature not later than three years from the date of purchase. Securities so purchased shall be deposited with and held for the board by the State Treasurer. Whenever funds so invested are needed by the board it shall direct the State Treasurer to sell the same or a designated amount thereof. All moneys collected thereon by the State Treasurer, as principal, interest, or proceeds of sales, shall be remitted by him to the treasurer of the board, and shall be credited to and constitute a part of the fund and account for which the investment was made.

Sec. 2. Laws 1955, Chapter 715, Section 2, is amended to read:

Sec. 2. [136.32] **Bonds, investments.** The state, including the the State Board of Investment, and all counties,

cities, villages, incorporated towns and other municipal corporations, political subdivisions and political bodies, and public officers of any thereof, all banks, bankers, trust companies, savings banks, and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds issued pursuant to this act, it being the purpose of this section to authorize the investment *in* such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether *owned* or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm or corporation from any duty of exercising due care in selecting securities for purchase or investment. *Such bonds are hereby constituted "authorized securities" within the meaning and for the purposes of Minnesota Statutes 1953, Section 50.14, notwithstanding the restrictions in part (c) of Subdivision 4 thereof.* All bonds issued under this act shall be exempt from all taxation. *Interest paid on such bonds shall not be included in gross income for the purpose of computing any tax imposed by or under any provisions of Minnesota Statutes 1953, Chapter 290, or any act amendatory thereof or supplemental thereto.*

Sec. 3. Laws 1955, Chapter 715, Section 4, is amended to read:

Sec. 4. [136.34] **Student activities, fees charged.** Whenever bonds are issued as provided in this act, it shall be the duty of said board to establish charges or fees, including without limitation fees for student activities and fees for student facilities, for the use of any buildings or structures sufficient at all times to pay the principal of and interest on such bonds *and to create and maintain suitable reserves therefor* and the necessary expenses of the operation and maintenance thereof; and all revenues derived from the operation thereof shall be set aside in a separate fund and accounts as hereinafter provided and shall be irrevocably pledged for and used only in paying the principal of and interest upon the bonds issued for the purpose or purposes set forth and described in the resolution authorizing the issuance of said bonds, and the necessary expenses of the operation and maintenance thereof; and such charges and fees shall be sufficient at all times for such purposes.

Sec. 4. Laws 1955, Chapter 715, Section 6, is amended to read:

Sec. 6. [136.36] **Allocation of receipts.** All moneys now or hereafter in the Teachers College Board of The State of Minnesota Revenue Fund and all income from the operation of such dormitories, cafeterias and student facilities are hereby appropriated first to the payment of expenses of the operation of dormitories, cafeterias and other student facilities *from which the revenues so appropriated are derived and second to the payment of the obligations herein authorized.*

Approved April 24, 1957.

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CHAPTER 604—H. F. No. 1491

[Coded]

*An act authorizing expenditures by the state teachers college board of the state of Minnesota or its successors for residence halls, dormitories, food service facilities, student union buildings and related revenue-producing structures and facilities at the state teachers colleges; authorizing the issuance of revenue bonds for certain of such purposes, and for refunding of revenue bonds heretofore issued, pursuant to and in accordance with Laws 1955, Chapter 715, and acts amendatory thereof and supplemental thereto; directing the method of retirement of such bonds; and authorizing said board to apply for loans to the federal housing and home finance agency.*

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

Section 1. [136.41] **Revenue bonds, issuance.** The State Teachers College Board of the State of Minnesota, or any successor thereof created or established by law, is hereby authorized to issue revenue bonds under and pursuant to and in accordance with Laws 1955, Chapter 715, and acts amendatory thereof and supplemental thereto, and payable solely from the revenues appropriated thereto by said law, in an aggregate principal amount not exceeding \$9,800,000 and to use the proceeds of their sale (a) to redeem and refund all outstanding revenue bonds theretofore issued by said board under said Chapter 715 and (b) for acquiring, constructing, completing, remodeling or equipping structures to be used for dormitory, residence hall, or food service purposes at the Mankato, St. Cloud, Winona, Moorhead and Bemidji Teachers Colleges, including acquisition of any sites needed therefor.

Sec. 2. [136.42] **May apply to federal housing and**